

Application No: A.13-09-_____
Exhibit No.: _____
Witness: _____

_____))
In the Matter of the Application of Southern))
California Gas Company (U 904 G) for Approval of))
Branch Office Optimization Process))
_____)) A.13-09-_____
(Filed September 16, 2013)

PREPARED DIRECT TESTIMONY

OF MICHAEL H. BALDWIN

ON BEHALF OF

SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA
September 16, 2013

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1 **PREPARED DIRECT TESTIMONY**
2 **OF MICHAEL H. BALDWIN**

3
4 **I. SUMMARY OF BRANCH OFFICE OPTIMIZATION PROCESS**
5 **RECOMMENDATIONS**

6 The purpose of this testimony is to present a summary of Southern California Gas
7 Company's ("SoCalGas") Branch Office Optimization process and to seek authorization for
8 SoCalGas to close six branch offices – Bellflower, Monrovia, Palm Springs, San Luis Obispo,
9 Santa Barbara, and Santa Monica. The facts presented in this testimony demonstrate that in
10 response to changing customer demands, changing delivery channel dynamics, and technological
11 advances, the use of branch offices is declining as a desired and preferred payment channel by
12 customers, and that transactions in these six offices have reached such a low level that the offices
13 are no longer a cost-effective payment option.¹ Therefore, in the interest of our customers as a
14 whole, closure of these six offices is warranted with the associated cost savings passed on to
15 customers. As a result of closing these six offices, SoCalGas will realize cost savings of
16 approximately \$1,375,981 per year in operational costs less one-time closure expenses of
17 \$321,204, in addition to avoiding approximately \$2 million in capital expenditures by not
18 remediating four of the offices to Americans with Disabilities Act ("ADA") standards pursuant
19 to the Memorandum of Understanding ("MOU") between Disability Rights Advocates
20 ("DisabRA"), SoCalGas and San Diego Gas and Electric ("SDG&E"), which was adopted in
21 D.08-07-046.²

¹ Furthermore, in SoCalGas' 2012 General Rate Case ("GRC") filing (A.10-12-006), Division of Ratepayer Advocates ("DRA") and The Utility Reform Network ("TURN"), acknowledged the decline in branch office in-person payments, and recommended reduced funding as a result.

² Pursuant to the 2008 MOU between DisabRA and SoCalGas, Bellflower and Palm Springs remediation work completed in 2009 and 2011-2012, respectively.

1 The testimony further demonstrates that customer needs, including those of low-income
2 and other sensitive customers, can and are readily being met by various other channels that
3 SoCalGas provides to customers to pay bills, satisfy inquiries and complete other service
4 transactions. The testimony demonstrates that SoCalGas' extensive network of over 300
5 Authorized Payment Locations ("APL") -- third party businesses that are contracted by
6 SoCalGas to take payments -- provides an effective alternative for customers who still desire to
7 pay their bills in-person in addition to various other payment options available to SoCalGas
8 customers.

9 Lastly, SoCalGas is seeking to close the Bellflower, Monrovia, Palm Springs, San Luis
10 Obispo, Santa Barbara and Santa Monica Branch Offices within six months of California Public
11 Utilities' Commission ("Commission") approval, following customer notification, including a
12 60-day advance posting of closure notice at each of the six locations. SoCalGas also requests
13 that the Commission approves SoCalGas' Branch Office Optimization process as fair and
14 objective for reviewing future utilization of SoCalGas' branch offices.

15 **II. BACKGROUND**

16 **A. Branch Offices**

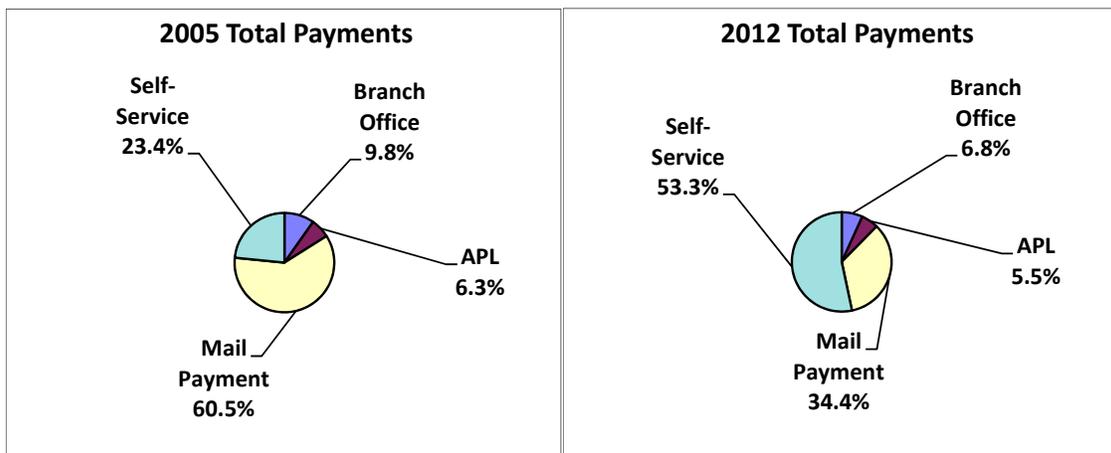
17 SoCalGas currently operates 47 branch offices throughout its service territory,³ which
18 provide customers the options of paying their bills in-person, inquiring about accounts, and
19 completing other customer service transactions.⁴ SoCalGas' branch offices are open during
20 normal business hours, 9:00 a.m. to 5:00 p.m., Monday through Friday, and employ
21 approximately eighty-six full-time and seventy-nine part-time employees. Bill payments are the

³ See Attachment A – Map of SoCalGas branch offices.

⁴ Historically, SoCalGas has operated as many as 59 branch offices in 1986. Ten offices were closed between 1988 and 1991 and in 1996 two joint offices with Southern California Edison in Fullerton and Irvine were closed. Each of the state's IOUs has similarly closed branch offices over the last two decades.

1 most common branch office transaction. In fact, 97% of all branch office transactions today are
2 bill payments. Over the last seven years, SoCalGas has seen a significant and steady decline in
3 branch office transactions. During this same period, customers have increasingly migrated to
4 electronic means of making payments, such as home banking, SoCalGas' My Account and direct
5 debit. SoCalGas reasonably expects that this trend as demonstrated in Figure 1 below will
6 continue as customers continue to migrate to electronic payment options and as new payment
7 technologies such as smart phone and tablet applications increase in use by our customers.

8 **FIGURE 1 – Total Trends by Payment Channel**



9 Self Service includes: Home banking, Direct Debit, Debit Card, Credit Card, ACH, Pay by Phone, My Account

10
11 **B. Authorized Payment Locations**

12 In addition to its 47 branch offices, SoCalGas also partners with over 300 APLs⁵ to allow
13 customers to pay their gas bills at another location that may be more convenient.⁶ APLs may
14 also be located at an establishment where customers already conduct business, such as local
15 convenience stores, grocery stores or mail service establishments. Customer convenience and
16 availability to public transportation are key considerations for APL selection.⁷

17
18
⁵ See [Attachment B](#) – Map of SoCalGas APLs.

⁶ See [Attachment C](#) – Additional maps of SoCalGas Branch Offices and APLs.

⁷ See [Attachment D](#) – APL Application/Potential Site Evaluation Form - Instructions

1 Typically, compared to branch offices, APLs have longer hours of operation and many
2 are open during the evenings and on weekends. For example, Pennywise Market located in the
3 city of Santa Barbara is open from 8:00 a.m. to 9:00 p.m., Monday through Friday and 8:30 a.m.
4 to 9:00 p.m. on Saturday and Sunday. Walmart, with over 100 locations in the SoCalGas
5 territory, is another SoCalGas APL partner that processes customer payments from 8:00 a.m. to
6 9:00 p.m., seven days a week. For customers paying late, the APL process is the same as that of
7 a branch office. The APL provides a receipt to the customer that can be shown to a SoCalGas
8 field representative to avoid shut-off at the customer's residence.⁸ Customer payments made at
9 an APL are recorded to the customer's account hourly.

10 **C. Other Convenient Payment and Service Alternatives**

11 SoCalGas also provides other convenient payment and service alternatives to customers.
12 For instance, customers may make payments or process service orders through My Account on
13 the SoCalGas website⁹ and smartphone application. Customers may also contact SoCalGas'
14 Customer Contact Center, which is open 24 hours a day, seven days a week, to facilitate service
15 requests, inquiries and payments.¹⁰ Customers may also make payments by mail,
16 direct/automatic withdrawal from their bank account, or Pay-by-Phone through SoCalGas'
17 Interactive Voice Response Unit ("IVRU"). In addition, customers may provide a debit card,

⁸ To help customers receive a high level of service from our APLs, SoCalGas conducts customer satisfaction surveys and continually monitors APL performances. See Attachment E – APL Site Evaluation Instructions and Form.

⁹ My Account website can be accessed in eleven additional languages. See <http://www.socalgas.com/languages/>. SoCalGas is working with the Center for Accessible Technology ("CforAT") to produce web pages that meet WCAG 2.0 AA priority, the international standard for web content. My Account web pages with the accessibility logo have met WCAG 2.0 AA priority and have been audited by CforAT. For more information about SoCalGas' My Account accessibility, see <http://socalgas.com/my-account-accessibility.shtml>.

¹⁰ SoCalGas' Customer Contact Center provides customer service in six languages — with translation services available in more than 150 additional languages. In addition, SoCalGas' Customer Contact Center provides telecommunications assistance for hearing or speech-impaired customers who use Telecommunications Device for the Deaf ("TDD") or a special teletypewriter ("TTY") communications system.

1 credit card (Visa or MasterCard) or a check routing and account number via the IVRU or internet
2 through Bill Matrix for a fee of \$1.50 per transaction. These convenient payment and service
3 options are available without the time associated with having to visit a branch office or APL.

4 **1. Declining Use of Branch Offices**

5 Table SCG-MB-1 below displays the volumes of services, both payments and service
6 orders, across SoCalGas' 47 branch offices from 2005 through 2012.

7 **Table SCG-MB-1**
8 **Total Branch Office and APL Payment Transactions**
9 **and Service Orders**
10 **2005 – 2012**
11

Transaction Type	2005	2006	2007	2008	2009	2010	2011	2012
Branch Payments	5,231,284	5,135,454	4,870,539	4,833,117	4,261,945	4,211,886	3,868,425	3,628,491
Service Orders	105,987	94,562	86,845	80,303	73,956	134,127	114,590	99,796
APL Payments	3,365,139	3,200,031	2,995,339	2,934,347	2,848,893	2,961,440	3,148,035	3,005,048

12
13 As Table SCG-MB-1 shows, payment transactions at SoCalGas' branch offices and APLs
14 have declined since 2005, falling 31% and 11%, respectively. SoCalGas believes that the
15 increase in APL payments in 2010 and 2011 is an anomaly due to the temporary branch office
16 closures that took place to complete ADA upgrades at several branch offices and the addition of
17 Walmart¹¹ to SoCalGas' APL network.

18 Although service order transactions also steadily declined from 2005 through 2009, they
19 peaked in 2010 due to the Fair & Accurate Credit Transaction Act ("FACTA") requirements.¹²

¹¹ Prior to January 28, 2011, Walmart was an unauthorized agent that processed payments for SoCalGas customers for a fee. Effective January 28, 2011, Walmart joined the SoCalGas' APL network and those customers that had previously paid their SoCalGas bill at Walmart (as an unauthorized agent) and continued to pay at Walmart when it became an authorized payment location are now included in the SoCalGas APL network payment transaction counts.

¹² FACTA is a federal consumer-rights law that is intended to reduce the risk of identity theft by regulating how consumer account information is handled by creditors and financial institutions. Pursuant to the FACTA Red Flag

FACTA Red Flag Rules were implemented in the branch offices on November 2, 2009, requiring customers, in cases where identity could not be validated electronically by the Customer Contact Center, to present identification documents at a branch office or fax such information to Credit and Collections, resulting in more customers conducting businesses at branch offices in 2010 (compared to earlier years).¹³ Nevertheless, data clearly shows that service orders remain a small percentage of branch office activity, at only – 2.7% in 2012.

The branch offices process several different kinds of payment transactions. Table SCG-MB-2 below displays the 2012 payment transaction types for all branch offices.

**Table SCG-MB-2
Total Branch Office Payments by Type
2012**

Transaction Type	Number of Transactions	Percent of Total
In-Person Payments	3,156,568	87.2%
24-Hour Drop Box	269,697	7.5%
Lobby Box	21,420	0.6%
Field Payments	111,508	3.1%
Unauthorized Agency Payments	57,378	1.6%
Mail Payments	3,404	0.1%
Total	3,619,975	100.0%

In-person payments comprised over 87% of all types of branch office payment transactions in 2012. The remaining 13% of transactions consist of payments left by customers at the branch offices (24-Hour Drop Box and Lobby Box), payments collected by company field

Rules, which were implemented in the branch offices on November 2, 2009, SoCalGas is required to implement and maintain compliance with applicable laws to detect, prevent and mitigate identity theft with the opening of customer accounts, existing customer accounts and other actions or transactions that might reasonably lead to identity theft.

¹³ SoCalGas is currently working with its own Information Technology group to implement technological advances to meet FACTA requirements that would minimize a customer’s need to visit a branch office and that SoCalGas believes would return branch office service orders to pre-2010 volumes. This industry best practice would be used for customers who do not have a social security number or do not want to provide their social security number. Multiple vendors offer an option of challenge questions to further enhance SoCalGas’ current non-POSID process for identity validation. Use of these challenge questions through SoCalGas’ Customer Contact Center and/or a self-service option is anticipated to be complete by mid-2014 and prior to any branch office closures.

collectors (Field Payments), payments collected by unauthorized payment agents (Unauthorized Agency Payments)¹⁴ and payments mailed to offices (Mail Payment) instead of SoCalGas' payment processing center. Although these latter categories are not considered in-person payments, the payments are processed at the branch offices. It is important to note that these non in-person payment transactions can be processed through other means. For example, field and unauthorized agency payments can be routed to other branch offices for processing; 24-hour depository and lobby box payments are primarily payments made by check that can be processed through other means, such as SoCalGas' payment processing center or an APL.

As demonstrated in the Table SCG-MB-3 below, branch office in-person payments have declined significantly since 1995.

**Table SCG-MB-3
In-person Payments Transactions
1995 – 2012 (000)**

Year	Branch Offices	APL	Total In-Person Transactions
1995	5,590	N/A	5,590
1996	5,042	2,077	7,119
1997	4,432	2,932	7,364
1998	4,367	3,338	7,705
1999	3,978	3,522	7,500
2000	3,843	3,647	7,490
2001	4,027	3,992	8,019
2002	3,664	3,589	7,253
2003	3,824	3,669	7,493
2004	3,909	3,559	7,468
2005	3,962	3,365	7,327
2006	3,935	3,200	7,135
2007	3,883	2,995	6,878
2008	3,957	2,934	6,891
2009	3,567	2,849	6,416
2010	3,584	2,962	6,546
2011	3,346	3,157	6,503
2012	3,157	3,005	6,162

¹⁴ Unauthorized payment agents are entities who take payments from SoCalGas customers and typically charge a fee. Some unauthorized agents transport payments to a SoCalGas branch office or mail payments to the payment processing facility. SoCalGas' APLs do not charge a fee for processing payments.

1 This decline coincided with the introduction and proliferation of electronic payment
 2 options, which began in the late 1990's. Between 1995 and 1999, branch office in-person
 3 payments dropped by as much as 1.9 million transactions. From 2001 to 2012 there was a
 4 decline of almost 2 million payment transactions, total in-person payments in 2001 were 8.019
 5 million, eleven years later in 2012, in-person payments decreased to 6.162 million, representing
 6 a decline of almost 2 million payment transactions. Although the number of APL agents
 7 increased from 2011 to 2012,¹⁵ APL payment transactions also declined in 2012. SoCalGas
 8 believes that this decline will follow the branch office decline as customers continue to migrate
 9 to electronic payment options and as new technological payment methods increase in popularity.

10 In terms of service orders, the trend for 2005 through 2009 is clear – downward. The
 11 increase in 2010 is directly attributable to requirements implemented to meet FACTA. Table
 12 SCG-MB-4 displays the service order volumes in total and on an average daily basis for the past
 13 eight years.

14 **Table SCG-MB-4**
 15 **Branch Office Service Order Transactions**
 16 **2005 – 2012**
 17

	2005	2006	2,007	2008	2009	2010	2011	2012
Service Orders	105,987	94,562	87,112	80,303	73,956	134,127	114,590	99,796
Avg Orders/Day	426	380	348	320	296	534	457	399
Avg Orders/Day/Office	9	8	7	7	6	11	10	8

18
 19
 20 In 2012, SoCalGas' 47 branch offices processed 399 service orders each day, an average
 21 of eight service orders per office, per day. Face-to-face contact is not necessary for the
 22 successful completion of service order transactions, as customer needs can be met via a call to
 23 SoCalGas' 24/7 Customer Contact Center or online at socialgas.com via My Account.

¹⁵ Average number of APLs in 2011 was 336; Average number of APLs in 2012 was 347.

1 Furthermore, SoCalGas believes that walk-in service orders will continue to naturally decline as
2 customers migrate to self-service channels. For example, beginning in 2012, SoCalGas
3 customers were allowed to process service orders (turn-on's, closes, and transfers) through My
4 Account on the SoCalGas website. As a result of this new service offering, 11% of all service
5 orders in 2012 were processed through My Account. In addition, 38% of payment extensions in
6 2012 were processed by SoCalGas customers using self-service options. It is important to note
7 that during the 4th quarter of 2012 (peak heating season), this percentage increased from 38% to
8 over 50%.

9 In 2010, walk-in service orders increased due to the FACTA implementation. Not only
10 does SoCalGas anticipate that these service orders will continue to naturally decline as a result of
11 customer migration to self-service channels, SoCalGas also expects that these order volumes will
12 return to pre-2010 levels due to the implementation of technology enhancements that will
13 minimize the need to process these transactions in the branch offices.

14 **III. BRANCH OFFICE OPTIMIZATION PROCESS**

15 Coupled with the declining activity at branch offices, is the high cost of providing branch
16 office services. As with all its operations, SoCalGas prudently monitors the benefit of its assets,
17 in this case branch offices, to customers. SoCalGas continues to be concerned with the rising
18 costs at our branch offices that are experiencing the most significant decline in use, and does not
19 believe that customers are well-served by keeping low-volume, underutilized branch offices
20 open. This concern was raised previously in SoCalGas' 2008 GRC filing (A.06-12-010), where
21 SoCalGas proposed to close low-transaction volume/high-transaction cost branch offices. The
22 Commission ultimately denied SoCalGas' request, finding "that the proposal to close branch
23 offices is problematic for low-income customers....Therefore, we must find a way to serve these

1 customers' needs for bill payment, customer service, and information.”¹⁶ Nonetheless, the
2 Commission permitted SoCalGas to separately apply to close individual offices in the future or
3 revisit the issue in the next GRC.¹⁷ In addition, the Commission also approved a MOU between
4 the Disability Rights Advocates (“DisabRA”), SoCalGas and SDG&E, which addressed a
5 number of accessibility issues including pedestrian right of way, internet access, emergency
6 communications with customers, the structure of branch offices, and non-utility payment
7 locations. Pursuant to the MOU, SoCalGas agreed to remediate all 47 branch offices by
8 September 30, 2012. However, on May 23, 2011, SoCalGas and DisabRA came to an agreement
9 on an extension to remediate the following four branch offices: Monrovia, San Luis Obispo,
10 Santa Barbara and Santa Monica offices pending a decision on this Application.

11 Since D.08-07-046, SoCalGas has continued to evaluate the use of its branch offices and
12 has witnessed further declines in their utilization by customers, as was acknowledged by DRA
13 and TURN in SoCalGas’ 2012 GRC filing (A.10-12-005). To address the Commission’s
14 concerns expressed in D.08-07-046¹⁸ regarding impacts to low-income customers and to further
15 demonstrate the decline in branch office use, SoCalGas developed criteria for its Branch Office
16 Optimization process, as further discussed below. The purpose of this process is to fully
17 evaluate the utilization of SoCalGas’ branch offices with a particular focus on low-income usage,
18 as well as the availability of effective substitutes for customers who still desire to do business in-
19 person.

20 The criteria that SoCalGas developed is part of a three-tiered evaluation process to assess
21 whether its branch offices warranted consideration for closure. The first step in the Branch

¹⁶ D.08-07-046, at p. 21.

¹⁷ D.08-07-046, at p. 20.

¹⁸ See D.08-07-046, at pp.20-21; Application 06-12-009 *et al* Hearing Transcripts (Volume 11) (August 14, 2007) at pp. 1177-1203.

1 Office Optimization process is to apply four transaction trend criteria to identify underutilized
2 branch offices. These four criteria sought to pinpoint those offices with continuing declining
3 usage. Second, after identifying underutilized branch offices, SoCalGas applies three low-
4 income screens to exclude branch offices that are primarily frequented by low-income
5 customers. Third, SoCalGas applies a proximity screen to help provide that, at a minimum, any
6 potentially closed branch offices must have at least one APL located within a five-mile or less
7 radius of the existing office. The four transaction criteria, three low-income screens and
8 proximity screen comprise the Branch Office Optimization process.

9 **A. Transaction Trend Criteria**

10 First, SoCalGas developed criteria to assess the cost effectiveness of each branch office,
11 based on the volume of in-person customer payments. Because these payments account for the
12 largest volume of all branch office transactions, SoCalGas performed an analysis to identify in-
13 person payment trends for each of its 47 branch offices. SoCalGas analyzed each branch office's
14 long-term and short-term customer transaction statistics, identifying branch offices in which:

- 15 1. The total number of in-person payments that trended downward from 2005 to
16 current.
- 17 2. The total number of in-person payments from 1995 to current that decreased by
18 50% or more.
- 19 3. The total number of annual in-person payments was less than or equal to the
20 median of all transactions.
- 21 4. The total number of annual in-person payments is in the bottom 25% of all branch
22 offices.

23 Based on these four criteria, 39 branch offices were excluded—leaving eight branch
24 offices (Bellflower, Hemet, Monrovia, Palm Springs, San Luis Obispo, Santa Barbara, Santa
25 Monica and Visalia), which demonstrated histories of declining or low customer transaction
26 levels. Table SCG-MB-5 below identifies the results of the Transaction Criteria for each of the
27 47 branch offices.

Table SCG-MB-5 – Application of Four Transaction Trend Criteria^{19,20}

Branch Office	Bottom % Offices	Offices <= Median	50% or > Decr Chg 1995 - 2012	Downward Trend 2005-2012	No of Criteria Met
	25%	52,611			
	41,214	(Median)	-50%		
Alhambra	NO	YES	YES	YES	3
Anaheim	NO	NO	NO	YES	1
Banning	YES	YES	NO	YES	3
Bellflower	YES	YES	YES	YES	4
Central Ave	NO	NO	NO	NO	0
Commerce	NO	NO	YES	NO	1
Compton	NO	NO	NO	YES	1
Corona	NO	YES	NO	YES	2
Covina	YES	YES	NO	YES	3
Crenshaw	NO	NO	NO	NO	0
Daly Street	NO	NO	NO	YES	1
Delano	NO	YES	NO	NO	1
Dinuba	NO	YES	NO	NO	1
El Centro	NO	NO	NO	NO	0
El Monte	NO	NO	YES	YES	2
Fontana	NO	NO	NO	YES	1
Glendale	NO	NO	NO	YES	1
Hanford	NO	YES	NO	YES	2
Hemet	YES	YES	YES	YES	4
Hollywood	NO	NO	NO	YES	1
Huntington Park	NO	NO	NO	NO	0
Indio	NO	YES	NO	YES	2
Inglewood	NO	NO	NO	YES	1
Lancaster	NO	YES	YES	YES	3
Lompoc	YES	YES	NO	YES	3
Monrovia	YES	YES	YES	YES	4
Ontario	NO	YES	YES	YES	3
Oxnard	NO	YES	YES	YES	3
Palm Springs	YES	YES	YES	YES	4
Pasadena	NO	YES	NO	YES	2
Pomona	NO	NO	NO	YES	1
Porterville	NO	NO	NO	YES	1
Riverside	NO	NO	YES	YES	2
San Bernardino	NO	NO	YES	YES	2
San Fernando	NO	NO	NO	YES	1
San Luis Obispo	YES	YES	YES	YES	4
San Pedro	NO	YES	NO	YES	2
Santa Ana	NO	NO	YES	YES	2
Santa Barbara	YES	YES	YES	YES	4
Santa Fe Springs	NO	YES	YES	YES	3
Santa Maria	YES	YES	NO	YES	3
Santa Monica	YES	YES	YES	YES	4
South Gate	NO	NO	NO	YES	1
Van Nuys	NO	NO	NO	YES	1
Visalia	YES	YES	YES	YES	4
Watts	NO	NO	NO	YES	1
Wilmington	NO	NO	NO	YES	1

¹⁹ Median - The numerical value separating the higher half of a data sample, a population, or a probability distribution from the lower half.

²⁰ See Attachment F – SoCalGas Branch Office Transactions 2005-2012

1 **B. Low-Income Screens**

2 Second, SoCalGas developed three separate low-income screens to mitigate
3 disproportionately impacting low-income, disabled or elderly customers.²¹

- 4 1. Because California Alternate Rates for Energy (“CARE”) customers are
5 representative of the lowest income customers served by SoCalGas, SoCalGas
6 first integrated a screen to exclude those branch offices in areas in which the
7 median household income is below the 2013 CARE income guideline.²²
- 8 2. Sensitive to the fact that one in five low-income Californians do not have a
9 checking account,²³ SoCalGas incorporated a second low-income screen to
10 exclude those branch offices in which the percentage of cash transactions is
11 greater than or equal to 72%--the median number of cash payments for all branch
12 offices in 2012.
- 13 3. The third screen excludes branch offices in areas in which the percentage of
14 unique CARE customers is greater than the 2012 median of 66.1%.²⁴ This third
15 criterion was included to exclude branch offices that serve larger numbers of
16 unique CARE customers.

²¹ Because disabled and elderly customers are disproportionately more likely to be low-income customers, SoCalGas believes that its low-income screens will also mitigate impacts to its disabled and elderly customers. With respect to the disabled population, recent U.S. census data reports that 23% of the disabled population in America (age 16 and older) is below the poverty level, as compared to the 15% of the non-disabled American population (age 16 and older) that is below the poverty level. And, the median earnings for a disabled person (age 16 and older) in America is \$19,735, compared to \$30,285 for the population of Americans without a disability. See <http://www.disabled-world.com/disability/statistics/info.php>.

²² See, <http://www.cpuc.ca.gov/PUC/energy/Low+Income/care.htm>.

²³ See, Claudia Buck, *Personal Finance: New Help for the ‘Unbanked,’* *Sacramento Bee*, February 26, 2013.

²⁴ Unique CARE customer is defined as a single CARE customer that makes one or more payments at a branch office in a given year.

1 When these three additional screens were used, six branch offices remained—Bellflower,
 2 Monrovia, Palm Springs, San Luis Obispo, Santa Barbara, and Santa Monica—as reflected in
 3 Table SCG-MB-6 below.

4 **Table SCG-MB-6 - Offices That Met All Four Transaction Criteria and Low-Income Screens**

Branch Office	Bottom % Offices	Offices <= Median	50% or > Decr Chg 1995 - 2012	Downward Trend 2005-2012	No of Criteria Met	2012 HHI is Above CARE GUIDELINE	2012 % Cash Pmt <= Median All Cash Pmt	Uniq CARE Customers <= Median	Met 3 or > Criteria & Met Screening
	25%	52,611					72.0%	66.1%	
	41,214	(Median)	-50%				(Median)	(Median)	
Bellflower	YES	YES	YES	YES	4	YES	YES	YES	YES
Monrovia	YES	YES	YES	YES	4	YES	YES	YES	YES
Palm Springs	YES	YES	YES	YES	4	YES	YES	YES	YES
San Luis Obispo	YES	YES	YES	YES	4	YES	YES	YES	YES
Santa Barbara	YES	YES	YES	YES	4	YES	YES	YES	YES
Santa Monica	YES	YES	YES	YES	4	YES	YES	YES	YES

5
 6 **C. Proximity Screen**

7 To address customers who choose to remit their payments in-person are not unduly
 8 burdened with excessive travel, SoCalGas included a final screen to consider the proximity of
 9 each proposed closed branch office to an APL. Specifically, the screen was developed to
 10 exclude branch offices that are not located within a five-mile radius of at least one APL. The six
 11 selected branch offices passed the proximity screen, because they all are located within a five-
 12 mile radius of at least one APL. Table SCG-MB-7 below details the proximity of the six branch
 13 offices to the nearest APLs.

14 The five-mile proximity radius screen is a reasonable distance within and around an
 15 existing branch office as it relates to customer travel, access to public transportation and travel
 16 time. This is also consistent with information provided to customers on socalgas.com when
 17 searching for a branch office and/or APL for a specific city or zip code. When evaluating
 18 potential APLs, one consideration is the proximity to the nearest SoCalGas Branch Office.

1 Typically, SoCalGas avoids adding APLs that are close in proximity to an existing branch office
 2 unless the APL is being added to support the proposed closure of a branch office or it is a
 3 Walmart, as all Walmart locations in SoCalGas' service territory are included in the APL
 4 network. Therefore, most APLs are not located within a one-mile radius of an existing branch
 5 office.

6 **Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs**

7 *(Source: Mapquest)*

Bellflower Branch Office	Monrovia Branch Office
Superior Grocers - 1.67 miles Alondra Quick Check - 1.95 miles Walmart (Paramount) - 2.62 miles Northgate Market (Paramount) - 2.76 miles R&G Food Basket (Rosecrans Ave.) - 3 miles R&G Food Basket (Pioneer Blvd.) - 3.93 miles Walmart (Downey) - 4.53 miles Northgate Market (Norwalk) - 4.78 miles Walmart (Norwalk) - 4.83 miles Walmart (Cerritos) - 4.92 miles	Monrovia Financial Center - .65 miles Walmart (Duarte) - 1.93 miles Mike's Food - 2.09 miles
Palm Springs Branch Office	San Luis Obispo Branch Office
Baja Springs Meat & Produce Market - 1.46 miles Walmart - 2.98 miles Cortes Insurance - 4.08 miles Cardenas Market - 5 miles	Mailing & More - .33 miles John's 76 - 1.07 miles
Santa Barbara Branch Office	Santa Monica Branch Office*
Milpas Communications - 1.75 miles Pennywise Market - 1.89 miles	Ocean Park Pharmacy - 3.90 miles

8 *CheckFreePay, SoCalGas' third-party APL vendor is presently scouting the Santa Monica area for an additional agent to serve as an APL
 9

IV. CASE STUDIES OF THE BELLFLOWER, MONROVIA, PALM SPRINGS, SAN LUIS OBISPO, SANTA BARBARA, AND SANTA MONICA BRANCH OFFICES

A. Bellflower Branch Office

1. Application of transaction trend criteria

The median number of in-person payments made at SoCalGas branch offices in 2012 was 52,611. The total number of in-person payments made at the Bellflower Branch Office in 2012 was 33,155. This branch office reported the sixth lowest number of in-person payments in 2012, and was in the bottom 25% of all branch offices. Since 1995, the number of in-person payments decreased by 61%. Since 2005, these payments decreased by 53%. From 2011 to 2012, these payments decreased by another 37%. Table SCG-MB-8 below identifies in-person payments and service order trends for the Bellflower Branch Office during 2005-2012.

**Table SCG-MB-8 – Bellflower In-person Payment and Service Order Trends
2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
Bellflower	70,752	1,976	66,695	2,117	63,908	1,903	65,010	424	59,307	654	59,160	2,324	52,353	1,920	33,155	1,019
*Bellflower - normalized Dec-11 & partial Nov-11 for trend analysis																
**Bellflower - normalized Jan-12 & Feb-12 & partial Mar-12 for trend analysis																

2. Application of low-income screens

The percentage of cash payments reported by the Bellflower Branch Office in 2012 was 62%, compared to 72%--the median number of cash payments for all branch offices in 2012. The median household income in the city of Bellflower is \$52,154 and is 11% higher than the 2013 CARE income guideline of \$39,060 for a family of the same size.²⁵ Approximately 60% of

²⁵ To determine which branch offices are located in predominantly low-income communities, SoCalGas first

1 the customers who utilized the Bellflower Branch Office in 2012 were identified as CARE
2 customers, compared to the system median of 66.1%.

3 **3. Application of proximity screen**

4 The Bellflower Branch Office is located within a five-mile radius of ten APLs as is
5 reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs. Ten APLs are
6 easily accessible to SoCalGas customers who utilize public transportation.

7 Superior Grocers is convenient to the Bellflower Bus South Route, Los Angeles Metro
8 266 and 128 Bus Lines, Norwalk Metro 1 Bus Line, Long Beach Transit 22 Bus Line, Orange
9 County 721 Bus Line, and Paramount Easy Rider Shuttle. Alondra Quick Check is convenient to
10 the Bellflower Bus North Route, Los Angeles Metro 127, 128, 265, and 266 Bus Lines, Long
11 Beach Transit 22 Bus Line, and Paramount Easy Rider Shuttle. Walmart #02110 is closely
12 situated to the Bellflower Bus North Route, Norwalk Metro 1 Bus Line, and Los Angeles Metro
13 125 and 286 Bus Lines. R&G's Food Basket #2 is convenient to the Norwalk Metro 1 and 2 Bus
14 Lines, and the Los Angeles Metro 172 and 173 Bus Lines. Northgate Market #17 is located near
15 the Los Angeles Metro 265, 258, and 128 Bus Lines, as well as the Long Beach Transit 22 Bus
16 Line. R&G's Food Basket #1 is convenient to the Norwalk 1, 2, and 5 Bus Lines, and the Los
17 Angeles Metro 62, 460, and 270 Bus Lines. Northgate Market #24 is located near the Los
18 Angeles Metro 270 and 460 Bus Lines, as well as the Norwalk Metro 1 Bus Line. Walmart
19 #01564 is closely situated to the Los Angeles Metro 460 and 270, and the Norwalk 2 and 4 Bus
20 Lines. Walmart #02082 is convenient to the Los Angeles Metro 128 Bus Lines, Cerritos on

identified the median income levels and average household sizes for all zip codes making up at least 5% of the total payment transaction volumes for each branch office, based on the Nielsen's 2012 Report. SoCalGas then identified the corresponding CARE average household sizes and associated average household CARE income maximums for each of the branch offices.

Wheels 1 and 2 Bus Lines, and Orange County Transit 721 Bus Line. Walmart # 05603 is located near the Los Angeles Metro 265 Bus Line, and the Downey Link.

Bellflower residents also have the option of using Access Services, which is a county-wide paratransit service for those unable to use Metro buses. In addition, Dial-A-Ride service is available to residents over 55 years or who are physically handicapped.

B. Monrovia Branch Office

1. Application of transaction trend criteria

Customers made 19,789 in-person payments at the Monrovia Branch Office in 2012, compared to the median for all branch offices of 52,611 in 2012. The Monrovia Branch Office reported the second lowest number of in-person payments in 2012, and was in the bottom 25% of all branch offices. Over the last 17 years, the Monrovia Branch Office has demonstrated a consistent decline in customer payments. Since 1995, the number of in-person payments decreased by 76%. Since 2005, these payments decreased by 31%. From 2011 to 2012, these payments decreased by another 5%. Table SCG-MB-9 below identifies in-person payments and service order trends for the Monrovia Branch Office during 2005-2012.

**Table SCG-MB-9 - Monrovia In-person Payment and Service Order Trends
2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
Monrovia	28,718	868	26,583	1,045	23,979	578	23,576	375	21,647	237	21,300	99	20,779	1,199	19,789	1,536

2. Application of low-income screens

The percentage of cash payments reported by the Monrovia Branch Office in 2012 was 44%, compared to 72%--the median number of cash payments for all branch offices in 2012.

1 The median household income in the city of Monrovia is \$66,644 and is 71% higher than the
2 2013 CARE income guideline of \$39,060 for a family of the same size.²⁶ Approximately 45% of
3 the customers who utilized the Monrovia Branch Office in 2012 were identified as CARE
4 customers compared to the system median of 66.1%.

5 **3. Application of proximity screen**

6 The Monrovia Branch Office is located within a five-mile radius of three APLs as
7 reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs. All three APLs
8 are convenient for SoCalGas customers who utilize public transportation.

9 The Monrovia Financial Center is convenient to the Los Angeles Metro 270 Bus Line,
10 Foothill Transit 494 Bus Line, and Foothill Transit 187 Bus Line, which transports passengers to
11 and from the Sierra Madre Villa Gold Line Metro Rail Station.²⁷ Walmart Store #2401 is well-
12 located to numerous public transportation options, such as the Duarte Transit Blue Bus Line,
13 Duarte Transit Green Bus Line, Duarte Transit Commuter Bus Line, Foothill Transit 690 Bus
14 Line, and Los Angeles Metro 264 Bus Line which transports passengers to and from the Sierra
15 Madre Villa Gold Line Metro Rail Station.²⁸ Mikes' Food is convenient to the Foothill Transit
16 272 Bus Line, Foothill Transit 494 Bus Line, Duarte Transit Blue Bus Line, Duarte Transit
17 Green Bus Line, and Foothill Transit 187 Bus Line that takes passengers to and from the Sierra
18 Madre Villa Gold Line Metro Rail Station.²⁹

19 Customers may also use the popular Monrovia Transit (Dial-a-Ride), which, like taxi or
20 airport shuttle service, does not follow fixed routes or schedules, but allows customers to

²⁶ *Id.*

²⁷ For a more public transportation options near this APL, see <http://foothilltransit.org/SystemMap/>.

²⁸ For more choices of public transportation options near this APL, see <http://foothilltransit.org/SystemMap/>.

²⁹ *Id.*

1 telephone a call center and make a reservation in advance.³⁰ In addition, eligible disabled
 2 customers may utilize the public transportation service called Access, which is the service name
 3 of the ADA Complementary Paratransit service offered to individuals in Los Angeles County
 4 whose disabilities prevent them from independently using regular bus or rail service.³¹

5 **C. Palm Springs Branch Office**

6 **1. Application of transaction trend criteria**

7 Customers made 25,346 in-person payments at the Palm Springs Branch Office in 2012,
 8 compared to the median for all branch offices of 52,611 in 2012. The Palm Springs Branch
 9 Office reported the fourth lowest number of in-person payments in 2012, and was in the bottom
 10 25% of all branch offices. Since 1995, the number of in-person payments decreased by 57%.
 11 Since 2005, these payments decreased by 48%. From 2011 to 2012, these payments decreased
 12 by another 11%. Table SCG-MB-10 below identifies in-person payments and service order
 13 trends for the Palm Springs Branch Office during 2005-2012.

14 **Table SCG-MB-10 – Palm Springs In-person Payment and Service Order Trends**
 15 **2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
Palm Springs	49,135	2,237	48,855	2,565	48,555	2,502	47,769	2,280	35,538	1,690	32,010	2,822	28,413	1,867	25,346	1,612

16
 17 **2. Application of low-income screens**

18 The percentage of cash payments reported by the Palm Springs Branch Office in 2012
 19 was 62%, compared to 72%--the median number of cash payments for all branch offices in 2012.

³⁰ For more information regarding the Monrovia Transit Dial-A-Ride program, *see* <http://www.cityofmonrovia.org/communitydevelopment/page/monrovia-transit>.

³¹ For more information regarding Access, *see* http://www.asila.org/riding_access/overview.html.

1 The median household income in the city of Palm Springs is \$39,458 and is 1% higher than the
2 2013 CARE income guideline of \$39,060 for a family of the same size. Approximately 57% of
3 the customers who utilized the Palm Springs Branch Office in 2012 were identified as CARE
4 customers compared to the system median of 66.1%.

5 **3. Application of proximity screen**

6 The Palm Springs Branch Office is located within a five-mile radius of four APLs as
7 reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs. All four APLs
8 are convenient for SoCalGas customers who utilize public transportation.

9 The Baja Springs Meat & Produce Market is convenient to the Sun Bus Lines 24, 111,
10 and 14. Walmart #01832 and Cardenas Market are located near the Sun Bus Lines 30 and 32.
11 Cortes Insurance is situated near the Sun Bus Lines 111, 14, and 30.³² Disabled customers also
12 have the option of using SunDial, which is a curb to curb paratransit service designed to meet the
13 requirements of the Americans with Disabilities Act (ADA).³³

14 **D. San Luis Obispo Branch Office**

15 **1. Application of transaction trend criteria**

16 Customers made 10,235 in-person payments at the San Luis Obispo Branch Office in
17 2012, compared to the median for all branch offices of 52,611 in 2012. The San Luis Obispo
18 Branch Office reported the lowest number of in-person payments in 2012 and was in the bottom
19 25% of all branch offices. Since 1995, the total number of in-person payments at the San Luis
20 Obispo Branch Office decreased by 69%. Since 2005, these payments decreased by 43%. From
21 2011 to 2012, these payments decreased by another 4%. Table SCG-MB-11 below identifies in-

³² See <http://www.sunline.org/>.

³³ See <http://www.sunline.org/what-is-sundial>.

1 person payments and service order trends for the San Luis Obispo Branch Office during 2005-
 2 2012.

3
 4 **Table SCG-MB-11 – San Luis Obispo In-person Payment and Service Order Trends**
 5 **2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
San Luis Obispo	17,922	65	17,677	107	19,107	145	17,380	63	14,804	99	11,987	21	10,659	36	10,235	38

6
 7 **2. Application of low-income screens**

8 The percentage of cash payments reported by the San Luis Obispo Branch Office in 2012
 9 was 38%, compared to 72%--the median number of cash payments for all branch offices in 2012.
 10 The median household income in the city of San Luis Obispo is \$50,554 and is 29% higher than
 11 the 2013 CARE income guideline of \$39,060 for a family of the same size. Approximately 41%
 12 of the customers who utilized the San Luis Obispo Branch Office in 2012 were identified as
 13 CARE customers compared to the system median of 66.1%.

14 **3. Application of proximity screen**

15 The San Luis Obispo Branch Office is located within a two-mile radius of two APLs as
 16 reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs. Both APLs are
 17 convenient for SoCalGas customers who utilize public transportation.

18 For SoCalGas customers who use public transportation, this is convenient to the San Luis
 19 Obispo Downtown Transit Center, which is served by the Regional Transit Authority Route 9,
 20 Regional Transit Authority Route 10, Regional Transit Authority Route 11/13, and Regional

1 Transit Authority Route 12/14.³⁴ San Luis Obispo customers have the option of using Dial A
 2 Ride Services, an affordable travel option that offers riders customized, door-to-door
 3 transportation service.³⁵ In addition, eligible disabled customers may utilize Runabout Para
 4 Transit Services, which is a county-wide ADA program providing ADA complementary
 5 transportation service.³⁶

6 **E. Santa Barbara Branch Office**

7 **1. Application of transaction trend criteria**

8 Customers made 24,137 in-person payments at the Santa Barbara Branch Office in 2012,
 9 compared to the median for all branch offices of 52,611 in 2012. The Santa Barbara Branch
 10 Office reported the third lowest number of in-person payments in 2012, and was in the bottom
 11 25% of all 2012 branch office transactions. Since 1995, the total number of in-person payments
 12 at the Santa Barbara Branch Office decreased by 67%. Since 2005, these payments decreased by
 13 38%. From 2011 to 2012, these payments decreased by another 8%. Table SCG-MB-12 below
 14 identifies in-person payments and service order trends for the Santa Barbara Branch Office
 15 during 2005-2012.

16 **Table SCG-MB-12 – Santa Barbara In-person Payment and Service Order Trends**
 17 **2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
Santa Barbara	38,650	675	38,996	565	36,633	633	33,244	617	29,645	560	28,591	1,327	26,283	1,264	24,137	1,305

18 ³⁴ For more information regarding San Luis Obispo public transportation options, *see*
 19 <http://www.slorta.org/schedules>.

³⁵ For more information regarding the San Luis Obispo Dial A Ride program, *see* <http://www.slorta.org/dar>.

³⁶ For more information regarding Runabout Paratransit Services, *see* <http://www.slorta.org/runabout>.

1 **2. Application of low-income screens**

2 The percentage of cash payments reported by the Santa Barbara Branch Office in 2012
3 was 62%, compared to 72%--the median number of cash payments for all branch offices in 2012.
4 The median household income in the city of Santa Barbara is \$59,377 and is 52% higher than the
5 2013 CARE income guideline of \$39,060 for a family of the same size. Approximately 46% of
6 the customers who utilized the Santa Barbara Branch Office in 2012 were identified as unique
7 CARE customers compared to the system median of 66.1%.

8 **3. Application of proximity screen**

9 The Santa Barbara Branch Office is located within a two-mile radius of two APLs as
10 reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs. Both APLs are
11 convenient for SoCalGas customers who utilize public transportation.

12 The Pennywise Market is closely situated to the Santa Barbara Metropolitan Bus Line 2,
13 Santa Barbara Metropolitan Bus Line 14, Santa Barbara Metropolitan Bus Line 20, and Santa
14 Barbara Metropolitan Bus Line 37—all of which transport passengers to and from the Santa
15 Barbara Transit Center.³⁷ In addition, Dial-A-Ride provides public transportation services to
16 customers with limited mobility.³⁸

17 **F. Santa Monica Branch Office**

18 **1. Application of transaction trend criteria**

19 Customers made 39,753 in-person payments at the Santa Monica Branch Office in 2012,
20 compared to the median for all branch offices of 52,611 in 2012. The Santa Monica Branch
21 Office reported the tenth lowest number of transactions in 2012 and was in the bottom 25% of all

³⁷ See http://www.santabarbara.com/goto_frame.asp?url=http%3A%2F%2Fwww%2Esbmtd%2Egov%2F&ret=http://www.santabarbara.com/community/transportation/.

³⁸ For more information regarding the Santa Barbara Dial-A-Ride services, see <http://www.easylift.org/dial-a-ride/>

branch office transactions. Since 1995, the total in-person payments at the Santa Monica Branch Office decreased by 67%. Since 2005, these payments decreased by 38%. From 2011 to 2012, these payments decreased by another 11%. Table SCG-MB-13 below identifies in-person payments and service order trends for the Santa Monica Branch Office during 2005-2012.

**Table SCG-MB-13 – Santa Monica In-person Payment and Service Order Trends
2005 – 2012**

SCG BRANCH OFFICE TRANSACTIONS																
2005 - 2012																
Office	2005		2006		2007		2008		2009		2010		2011		2012	
	In - Person	Service Orders														
Santa Monica	63,638	498	61,408	12	57,800	7	55,837	18	51,011	53	48,117	3,279	44,765	334	39,753	291

2. Application of low-income screens

The percentage of cash payments reported by the Santa Monica Branch Office in 2012 was 59%, compared to 72%--the median number of cash payments for all branch offices in 2012. The median household income in the city of Santa Monica is \$65,116 and is 67% higher than the 2013 CARE income guideline of \$39,060 for a family of the same size. Approximately 42% of the customers who utilized the Santa Monica Branch Office in 2012 were identified as unique CARE customers compared to the system median of 66.1%.

3. Application of proximity screen

The Santa Monica Branch Office is located within a three-mile radius of Ocean Park Pharmacy as reflected in Table SCG-MB-7 - Proximity of Branch Offices to Nearest APLs.

1 Ocean Park Pharmacy is convenient for SoCalGas customers who utilize public
2 transportation, as it is located near the Los Angeles Metro Big Blue Bus Lines 6, 8, 11, as well as
3 the R7 and R3 Bus Lines.³⁹

4 In addition, Cityride Dial-A-Ride is a program available for individuals in the city aged
5 65 or older and persons with mobility impairments.⁴⁰ Eligible disabled customers may also
6 utilize the public transportation service called Access, which is the service name of the ADA
7 Complementary Paratransit service offered to individuals in Los Angeles County whose
8 disabilities prevent them from independently using regular bus or rail service.⁴¹

9 **V. SUMMARY OF FACTS SUPPORTING SOCALGAS' REQUEST TO CLOSE**
10 **THE SIX BRANCH OFFICES**

11 The closure of the Bellflower, Monrovia, Palm Springs, San Luis Obispo, Santa Barbara
12 and Santa Monica Branch Offices is beneficial to our customers because:
13

- 14 • These six offices are underutilized and therefore not cost-effective;
- 15 • Customers will realize cost saving benefits if the Commission approves
16 SoCalGas' request to close these underutilized branch offices;
- 17 • Low-income customers will not be unduly burdened since SoCalGas does not
18 propose to close branch offices located in areas in predominantly low-income
19 communities or branch offices frequented primarily by low-income customers;
- 20 • As evidenced by our customer's behavior, customers have multiple, reasonably
21 comparable and convenient payment and service alternatives;
- 22 • SoCalGas will provide clear and timely closure notice to customers in the affected
23 communities and customers who have utilized the six branch offices in the last six
24 months;
- 25 • SoCalGas will provide clear and timely closure notice to customers in the affected
26 communities and customers who have utilized the six branch offices in the last six
27 months;
- 28

³⁹ See <http://bigbluebus.com/Routes-And-Schedules/Routes-And-Schedules.aspx>.

⁴⁰ See <http://www.ladottransit.com/other/cityride/>.

⁴¹ For more information regarding Access, see http://www.asila.org/riding_access/overview.html.

- The impacts to employees will be minimal since SoCalGas will take affirmative steps to place all six⁴² full-time employees in regular, full-time positions elsewhere in the Company;
- SoCalGas will continue to conduct APL customer evaluations to monitor quality customer service and satisfaction; and
- SoCalGas has and will continue to work with local government representatives, consumer groups, and interested stakeholders to discuss potential impacts the branch office closures may have on the affected communities.

A. The Bellflower, Monrovia, Palm Springs, San Luis Obispo, Santa Barbara and Santa Monica Branch Offices Are Not Cost-Effective

Processing payments at these six branch offices is inefficient, costing SoCalGas customers over \$1.375 million per year. Using 2012 actual data, on a fully-loaded cost-per-transaction basis, the average cost of processing a transaction at each of our 47 branch offices is \$3.35. In Table SCG-MB-14 below, transactions are defined as customer payments and service orders. Service orders are given a weighting of three because it takes about three times as long to process a service order as it does to process a customer payment. As noted, the cost to process a transaction in these six offices compared to the average of all branch offices is abnormally high. Specifically, the cost to customers to process a transaction at each of the branches is as follows:

- Bellflower Branch Office - \$5.61
- Monrovia Branch Office - \$8.95
- Palm Springs Branch Office - \$6.89
- San Luis Obispo Branch Office - \$10.83
- Santa Barbara Branch Office - \$7.07

⁴² Seven full-time positions (6 employees) will be impacted as follows: 1 in Bellflower, 1 in Monrovia, 2 in Palm Springs, 1 in San Luis Obispo (currently vacant), 1 in Santa Barbara, and 1 in Santa Monica.

- Santa Monica Branch Offices - \$4.49

This is compared to only \$0.01 for processing a payment made online, \$0.10 for processing a payment through the mail, or \$0.62 for processing a payment made at an APL. SoCalGas expects that the transaction costs at these six offices will continue to rise as customers continue to migrate to other payment alternatives. Given the multitude of payment options available to SoCalGas customers, this disparate expense is not justified. In addition, SoCalGas analysis shows that there are other branch offices that greatly exceed the average transaction cost of \$3.35 per transaction but were not included in this Branch Office Optimization Process request because they did not meet either the transaction trend criteria or, more likely, the low-income customer screen. As conditions change, these offices may be included in future requests.

Table SCG-MB-14 - 2012 Payment Channel Transaction Costs

SCG BRANCH OFFICE COST PER TRANSACTION						2012
	Total Loaded Costs Including: •Employees' Lbr & •N-Lbr & •Lease & •Facilities & •Overhead	Total of All Transactions Payment Transactions & CIS Orders				Cost Per Transaction
		BO Payment Transactions	CIS Orders	Factor 3 Weighted CIS Orders	TOTAL Weighted Transactions	
Bellflower	\$195,007	31,627	1,036	3,108	34,735	\$5.61
Monrovia	\$307,992	29,739	1,560	4,680	34,419	\$8.95
Palm Springs	\$231,198	28,644	1,637	4,911	33,555	\$6.89
San Luis Obispo	\$164,997	15,117	39	117	15,234	\$10.83
Santa Barbara	\$233,945	29,099	1,325	3,975	33,074	\$7.07
Santa Monica	\$239,562	52,486	295	885	53,371	\$4.49
Average of 47 Branch Offices	\$13,145,719	3,619,975	99,796	299,388	3,919,363	\$3.35
Avg of remaining Branch Offices	\$11,773,019	3,433,263	93,904	281,712	3,714,975	\$3.17

1 **B. Customer Use of the Bellflower, Monrovia, Palm Springs, San Luis Obispo,**
2 **Santa Barbara and Santa Monica Branch Offices has Declined Sharply in**
3 **Recent Years**

4
5 Customer service orders have historically been approximately 2% – 3% of branch office
6 volumes. This remains true today. Based on these statistics it is not surprising then that the
7 Bellflower Branch Office only processes approximately four service orders per day; Monrovia
8 Branch Office processes an average of six service orders per day;⁴³ Palm Springs Branch Office
9 processes approximately six service orders per day; San Luis Obispo Branch Office does not
10 generally process service orders – on average just one service order per week is processed; Santa
11 Barbara Branch Office processes approximately five service orders per day;⁴⁴ Santa Monica
12 Branch Office only processes approximately one service order per day.

13 Fewer and fewer customer transactions are processed at these six branch offices. Overall,
14 the number of in-person payments processed at these six branch offices has decreased by almost
15 43% since 2005. In contrast, the use of the electronic payments has more than doubled system
16 wide, from 12.6 million in 2005 to 28.8 million in 2012.

17 **C. Customers will Realize On-going Savings and Cost Avoidance Benefits if the**
18 **Branch Offices are Closed**

19 Table SCG-MB-15 below details the on-going savings and cost avoidance benefits
20 customers will realize.⁴⁵ The majority of the ongoing savings would result from the reduction of
21 11 full-time equivalents (FTEs). Currently 6 full-time employees work in these offices in
22 addition to one full-time vacancy at the San Luis Obispo Branch Office. The remaining four
23 FTEs consist of part-time employees and virtual lead support. Ongoing labor reductions,
24

⁴³ 261 paid days in 2012 – 11 holidays = 250 work days

⁴⁴ *Id.*

⁴⁵ Pending approval of this Application, SoCalGas would reflect the future O&M cost savings in its funding request in its next GRC application.

1 assuming closure of all six offices, will total \$984,170. Lease cost reductions are \$248,422. The
 2 annual facility expense to operate and maintain the six offices is \$96,964. Armored
 3 transportation service to retrieve money from the branch offices, security expenses and various
 4 other non-labor expenses total \$129,046. Ongoing non-labor expense reductions total \$474,432.
 5 If the offices are allowed to close, it is also assumed that 75% of the payments will transfer to
 6 APLs resulting in a cost increase of \$82,620 which offsets the savings by this amount. Also,
 7 because the cost of operating the branch offices is largely fixed, the sharp decrease in usage
 8 causes continued operation of the six branch offices to be increasingly less cost-effective.

9 **Table SCG-MB-15 Financial Impacts of Branch Office Closures**

	2012 \$
Financial Impact Areas Based on 6 Recommended Offices	Full Year Savings
On-going Savings	
Office Personnel Savings (Loaded) Full Time Equivalents (11 FTEs) (Including 7 FT & 3 PT including 1 virtual lead support)	(\$984,170)
Lease Cost Savings	(\$248,422)
Facility Cost Savings/Facility Overhead Savings	(\$96,964)
Armored Trans/Security/Other Non-Labor/ Non-Labor Overhead Savings	(\$129,046)
Sub-Total	(\$1,458,601)
Replacement APLs	\$82,620
Total On-going Annual Savings	(\$1,375,981)
One Time Incremental Expenses	
Customer Information Expense	\$158,902
Moving Expense	\$162,302
Total One Time Expense	\$321,204
First Year Savings	(\$1,054,777)
One Time Cost Avoidance	
Capital Expenditures	(\$2,000,000)

10

1 SoCalGas customers will also realize a one-time cost avoidance of approximately \$2
2 million in capital expenditures if the four branch offices are not remediated.⁴⁶ SoCalGas
3 estimates that each of the four offices would cost \$500,000 for site work and interior
4 improvements needed to make them ADA-compliant and conform to SoCalGas' internal
5 guidelines for customer and employee safety.

6 The full year effect of all six branch office closures would result in future cost savings
7 benefits of approximately \$1,375,981 per year, which excludes the aggregate one-time closure
8 expenses of approximately \$321,204. The net first year savings of \$1,054,777 will be adjusted
9 accordingly based on the effective date of the office closures.

10 **D. Branch Closures Will Have a Minimal Impact on Low-Income Customers**

11 The primary concern of the Commission and those parties' initially opposed to
12 SoCalGas' 2008 proposal to close branch offices was the adverse impact that the proposal could
13 potentially have on low-income customers.⁴⁷ SoCalGas' Branch Office Optimization process
14 addresses and resolves these concerns. First, low-income customers will not be unduly
15 disadvantaged because the Branch Office Optimization criteria incorporate three screens to
16 exclude those branch offices in areas in which 1) the median household income is below the
17 2013 CARE income guideline, 2) the percentage of cash transactions is greater than 72% - the
18 median number of cash payments for all branch offices in 2012, and 3) the percentage of CARE
19 customers is greater than the 2012 system median of 66.1%.

⁴⁶ Pursuant to the 2008 MOU between DisabRA and SoCalGas, Bellflower and Palm Springs remediation work completed in 2009 and 2011-2012, respectively.

⁴⁷ See D.08-07-046, at pp. 20-21; Application 06-12-009 *et al* Hearing Transcript (Volume 11) (August 14, 2007) at pp. 1177-1203.

1 To better understand low-income customer utilization of branch offices, SoCalGas
 2 researched the payment channels used by CARE customers in 2012.⁴⁸ Based on this research,
 3 SoCalGas determined that low-income customers will likely not be adversely impacted by the
 4 six branch office closures because 87% of CARE customer payments are not made at branch
 5 offices. In fact, CARE customers are much more likely to pay their bills by mail or a self-service
 6 option than at a branch office. This is evidenced by the fact that of the 17.5 million CARE
 7 customer payments received in 2012; only 2.3 million payments or 13% were processed in
 8 branch offices. By contrast, 45% of CARE customer payments were processed using a self-
 9 service payment channel in 2012, and 30% of CARE customer payments were processed using
 10 the mail as demonstrated in Table SCG-MB-16 below.

11 **Table SCG-MB-16 - Payment Channels Used by CARE Customers in 2012**

Payment Channel	Unique CARE	CARE Customer	% of
Mail	690,486	5,265,468	30.0%
Self-Service**	1,439,172	7,801,488	44.5%
Branch (All Payments)	541,694	2,307,119	13.2%
APL	443,534	2,152,186	12.3%
Total	3,114,886	17,526,261	100.0%
*CARE customers can be duplicative across channels			
**Self-Service includes: Home Banking, Direct Debit, Debit Card, Credit Card, ACH, Pay by phone, MyAccount			

12
 13 Of the 541,694 CARE customers who used branch offices in 2012, 219,666 used a branch office
 14 as their exclusive payment channel. Because SoCalGas has approximately 1.6 million CARE

⁴⁸ The CARE customers are representative of the lowest income customers served by SoCalGas.

1 customers,⁴⁹ SoCalGas estimates that only 1 out of every 7 CARE customers in 2012 used
 2 branch offices as an exclusive payment channel. Table SCG-MB-17 below shows that
 3 approximately 59% of CARE customers, who used a branch office for payments, also used an
 4 alternative payment channel.⁵⁰

5
 6 **Table SCG-MB-17- Payment Channels used in 2012 by CARE Customers**
 7 **Making at Least one In-Person Payment at a Branch Office**
 8

Payment Channel	Number of CARE Customers
Used Branch Office Only	219,666
Used Branch Offices and other channels	304,281
APL ¹	86,691
Self-Service ^{1,2}	166,982
Mail ¹	87,921
1. Customer can use more than one payment channel, therefore counts can be duplicative	
2. Includes: Home Banking, Direct Debit, Debit Card, Credit Card, ACH, Pay by phone, MyAccount	

9
 10
 11 **E. Branch Closures Will Not Have a Disproportionate Effect on Special Needs**
 12 **or Elderly Customers**

13
 14 SoCalGas is sensitive to the role branch offices can play in assisting special needs
 15 customers and elderly customers.⁵¹ However, SoCalGas does not believe that closure of the six
 16 branch offices will adversely affect these customers. As mentioned above, patrons of the six
 17 branch offices may still choose from an array of reasonably comparable and convenient payment
 18 and service options.

⁴⁹ Year-end 2012 CARE enrollment for SoCalGas customers is approximately 1.6 million. Annual Report Activity of Southern California Gas Company (U 904 G) On Low Income Assistance Programs for 2012.

⁵⁰ 59% is derived by subtracting the CARE customers who used branch offices as their exclusive payment channel from total of number of CARE customers who used branch offices and then dividing the sum by the total number of CARE customers who used branch offices.

⁵¹ See D.97-04-031 at p. 4, in which the Commission found that SoCalGas' proposal to close its Fullerton and Irvine branch offices did not disproportionately affect poor, elderly and minority customers because SoCalGas did not "single out the offices with the highest patronage by the poor, elderly and minority customers."

1 Impacted customers have multiple electronic payment options as well as traditional mail
2 and local payment alternatives such as the APLs or other branch offices, all of which are ADA-
3 compliant. To assist visually impaired customers, SoCalGas provides Braille bills upon request
4 and provides large-print bills through its website for customers enrolled in My Account.
5 SoCalGas' website provides customers with instructions for accessing and modifying the
6 electronically-produced bill in large font. Customers unable to access the Internet or otherwise
7 unable to manage modifying electronically presented bills may contact SoCalGas' Customer
8 Contact Center for agent assistance. In addition, SoCalGas makes available TTY/TDD services
9 to its customers, and helps ensure that its Customer Service Representatives are trained to
10 respond appropriately to incoming calls made using relay services.

11 **F. Customers Have Reasonably Comparable and Convenient Payment and**
12 **Service Alternatives**

13
14 SoCalGas provides its customers multiple means to remit their bill payments, obtain
15 account information, and receive service assistance. Although closure of branch offices may
16 temporarily alter the routine of some customers who use these branch offices, these customers
17 have a number of other means to remit payment, obtain account information, and receive service
18 assistance.

- 19 • APLs generally provide longer hours and days of service. SoCalGas branch
20 office hours are only open Monday-Friday, from 9:00 am until 5:00 pm.
21 Whereas, most APLs are generally open from 8:00 am to 6:00 pm, during the
22 week, with over 100 Walmart payment locations open 8:00 am to 9:00 pm seven
23 days a week. SoCalGas branch offices are not open on weekends, while
24 approximately 94% of APLs are open on Saturday and 69% on Sundays. APLs
25 offer the option for customers at risk of disconnection to pay in-person during
26 evenings or on weekends. Once SoCalGas has record of a customer APL
27 payment,⁵² the customer's account is instantly noted to prevent disconnection.

⁵² APLs electronically upload and transmit customer payment information to SoCalGas hourly, Monday through Friday between 5:00 am and 5:00 pm. SoCalGas' collection and close orders are only processed Monday through Friday between 8:00 am and 4:30 pm.

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- All six branch offices to be closed are located within a five-mile radius of an APL. Most of the APLs within the five-mile radius of the six branch offices: 1) have ring-down telephones⁵³ or have public telephones located within one block that customers may use to call SoCalGas; 2) are convenient to public transportation options; 3) are stocked with brochures on SoCalGas' CARE program,⁵⁴ and, 4) are all ADA- compliant. Alternative language service is not always available at SoCalGas branch offices; however, many APLs provide multi-lingual options to the customers they serve.
 - SoCalGas will make a reasonable effort to maintain, for the next three years at least, the same number of APLs in close proximity to the six branch offices.
 - Customers with delinquent bills who need to make payment expeditiously can do so at APLs or by utilizing Bill Matrix. If customers need to make payment arrangements, enroll in level pay plans, or request third-party notification, they can do so by calling SoCalGas' toll free number 24/7.
 - SoCalGas customers have and do utilize numerous other payment options besides branch offices.
 - There are no transactions that require a customer to go into a branch office. Non-payment transactions can be managed by calling SoCalGas' toll-free Customer Contact Center, which is available 24 hours a day, seven (7) days a week and in over six languages. In addition, SoCalGas provides a Language Line, which covers these languages, when our multi-lingual CSRs are not available, and a myriad of other languages as may be needed.

28

1. APLs⁵⁵

29 Over 300 APLs exist throughout the SoCalGas' service territory. Like the branch offices,
30 APLs provide customers with the option of paying their bill at no cost. SoCalGas' APL vendor
31 electronically uploads payment information from each of the payment locations and transmits

⁵³ Ring-down phones are direct telephone lines which are free for customers to use to communicate directly to a Customer Service Representative at the Customer Contact Center.

⁵⁴ All APLs currently stock SoCalGas' CARE brochures with the exception of Walmart, whose approval is pending.

⁵⁵ Consistent with Ordering Paragraph 11 of D.08-07-046, SoCalGas has not since employed any new payday loan APLs.

1 that information to SoCalGas hourly.⁵⁶ Once record of a customer payment is transmitted to
2 SoCalGas, the customer's account is instantly noted to prevent disconnection.⁵⁷

3 The APLs have extended hours and days of operation, usually 8 am - 6 pm, Monday –
4 Friday, and often times seven days a week. They are conveniently and generally located in
5 popular areas of town, such as shopping centers, business districts, etc. All of the APLs are
6 ADA-compliant and many APLs provide multi-lingual options to the customers they serve.
7 Furthermore, SoCalGas already provides low-income assistance program information to its
8 APLs to be made available to low-income customers.

9 Customers may find the nearest APL by simply entering a city or zip code on SoCalGas'
10 website,⁵⁸ or by accessing the SoCalGas smartphone application, or by calling the Customer
11 Contact Center. Payment methods accepted at APLs include cash, check and money order with
12 the exception of Walmart, which accepts cash and pin-based debit cards.

13 **2. Other Branch Offices**

14 Customers may also choose to frequent other branch offices. The nearest branch office to
15 Bellflower is Compton. The nearest branch office to Monrovia is Pasadena. The nearest branch
16 office to Palm Springs is Indio. The nearest branch office to San Luis Obispo is Santa Maria.
17 The nearest branch office to Santa Barbara is Oxnard. The nearest branch offices to Santa
18 Monica are Inglewood and Crenshaw.

19

⁵⁶ APLs electronically upload and transmit customer payment information to SoCalGas hourly, Monday through Friday between 5:00 am and 5:00 pm. SoCalGas' collection and close orders are only processed Monday through Friday between 8:00 am and 4:30 pm.

⁵⁷ Additionally, if a SoCalGas customer is extremely concerned that his or her service may be disconnected; the customer may immediately telephone SoCalGas with the receipt number provided by the payment location. This too will prevent interruption of service.

⁵⁸ See <http://dmz.socalgas.com/apa/SearchAPADatabase.asp>.

1 **3. Customer Contact Center**

2 Customers may communicate to a SoCalGas Customer Service Representative by calling
3 the Customer Contact Center. The Customer Contact Center facilitates customer service
4 requests, service inquiries and payments. The Customer Contact Center has a toll-free number
5 and is conveniently open 24 hours a day, seven days a week.

6 **4. Mail**

7 As of 2012, payment by mail remains the second most common method of customer
8 payment, with 34% of SoCalGas payments being made by mail.

9 **5. Additional Methods of Payment**

10 Besides branch offices, APLs and mail, SoCalGas customers have a multitude of other
11 alternative payment options available to them. Customers may arrange for direct/automatic
12 withdrawal from their bank accounts or Pay-by-Phone through SoCalGas' Interactive Voice
13 Response Unit ("IVRU"). Customers may also make payments through My Account on the
14 SoCalGas website. In addition, customers may provide a debit card, credit card (Visa or
15 MasterCard) or a check routing and account number via the IVRU or Internet through Bill
16 Matrix for a fee of \$1.50 per transaction.⁵⁹ These convenient payment options are available
17 without the time and travel associated with having to visit a branch office or APL.

18 **G. Based on SoCalGas' Experience, Customers Utilize the Comparable and**
19 **Convenient Payment Service Alternatives When Branch Offices Are Not**
20 **Available**

21
22 In 2010, the Crenshaw Branch Office processed the second largest payment volume of all
23 47 branch offices. In December 2010, SoCalGas was unsuccessful in renewing our lease at the
24 Baldwin Hills Mall and we were forced to permanently close the Crenshaw Branch Office at this

⁵⁹1,067,766 payments were made by SoCalGas customers in 2012.

1 location. SoCalGas located a new site less than one mile away from the Baldwin Hills Mall.
2 SoCalGas negotiated a lease, the site was constructed and the new office opened on April 20,
3 2011.

4 During the four months that the Baldwin Hills Mall location was closed, SoCalGas found
5 that customers used other comparable and convenient payment service alternatives including, but
6 not limited to, APLs, My Account and other nearby branch offices. In an effort to mitigate any
7 inconvenience to our customers, SoCalGas implemented the following notification plan, which
8 follows the customer notification plan proposed in this Application as outlined below in Section
9 V.I:

- 10 • Poster-size signs in both English and Spanish were placed outside the office to
11 indicate that the office would be closed; signs provided information on alternative
12 branch offices and nearby APLs located within a five mile radius.⁶⁰
13
- 14 • Up until the office closed, flyers were distributed to all customers in both English
15 and Spanish advising them of the closure and alternative payment options.
16
- 17 • Notices were placed in local newspapers in both English and Spanish two weeks
18 prior to opening at the new location advising customers of the new address.
19
- 20 • The SoCalGas IVRU and website were updated to refer customers to other nearby
21 walk-in payment locations.
22
- 23 • A letter was mailed to all customers who visited the Crenshaw Branch Office in
24 the last six months advising them of the office closure, alternate payment
25 locations and details about the future location.
26
- 27 • After vacating the Crenshaw Branch Office at the Baldwin Hills Mall, SoCalGas
28 continued to post signs that provided information on alternative branch offices
29 and nearby APLs located within a five mile radius.

30 While the Crenshaw Branch Office was closed December 20, 2010 through April 20,
31 2011, many customers made their payments online through My Account, and a significant

⁶⁰ See Attachment G – Sample Branch office sample closure posters in English and Spanish

1 number of customers opted to pay their bills at a nearby Walmart. Others opted to visit a nearby
2 branch office or mail their payment.⁶¹

3 SoCalGas developed a targeted email campaign to promote online bill payment for those
4 customers that visited the Crenshaw Branch Office within the last six months and were
5 registered My Account users. SoCalGas emailed 6,500 My Account customers, and 33% of the
6 customers receiving the targeted email migrated to online bill pay during January, February and
7 March 2011. This was followed by 23% of the customers paying at a nearby branch, 15%
8 paying by mail and 14% paying at an APL.

9 SoCalGas added Walmart to the SoCalGas APL network on January 28, 2011. The
10 Walmart nearest the Crenshaw Branch Office averaged over 3,000 SoCalGas payments during
11 the months of February, March and April 2011, which is during the time the Crenshaw Branch
12 Office was closed.

13 As is evidenced by the closure of our second largest payment transacting branch office in
14 the system in 2011, customers readily use the comparable and convenient payment service
15 alternatives when branch offices are not available.

16 **H. SoCalGas Will Continue to Conduct Customer Evaluations of its APLs to**
17 **Monitor Quality Customer Service and Satisfaction**

18
19 SoCalGas strives to provide customers who utilize APLs to have comparable customer
20 service experiences relative to branch offices. SoCalGas monitors the service levels of its APLs
21 through site visits, customer feedback as well as more formal customer satisfaction surveys.
22 SoCalGas uses this information to determine if APLs should be retained or removed from the
23 network. Better understanding of customer needs and wants will allow SoCalGas to improve its

⁶¹ 27% of customers paid at another SoCalGas branch office, 27% paid by mail, 23% paid at an APL and 15% paid using a self-service payment channel.

1 array of services and communications, while focusing on those things of most value to its
2 customers.

3 **I. SoCalGas Will Provide Clear and Timely Notice to Affected Customers**

4 Should the CPUC approve this application, SoCalGas will smooth the transition for our
5 customers by distributing advance notifications to customers in the six potentially affected
6 communities, as well as to customers who have utilized these branch offices in the last six
7 months. The notices will be distributed a minimum of 60 days prior to closure and advise
8 customers that the Bellflower, Monrovia, Palm Springs, San Luis Obispo, Santa Barbara and
9 Santa Monica Branch Offices will be closing. Notices will explain each of SoCalGas' payment
10 and service options and will provide customers with website links and telephone numbers to
11 assist them in learning about the many alternative payment and service options at their disposal.
12 By providing these notices, SoCalGas customers will have at minimum two and up to three full
13 billing cycles to adjust how they tender their payments to SoCalGas and how and where they
14 obtain service and information from SoCalGas.

15 SoCalGas proposes to provide the notices using the following forms of communication:

- 16 • Notice/ad in local publications
- 17 • Direct mail piece
- 18 • Flyers – includes directions to nearby APLs
- 19 • Branch Office signage – includes directions to nearby APLs
- 20 • Customer Contact Center
- 21 • Voice Response Unit
- 22 • Socialgas.com

1 Information will be made available in both English and Spanish wherever possible. In
2 addition, SoCalGas will analyze zip code data to determine if the notice information should be
3 made available in other languages.

4 **J. Branch Office Closures Will Have a Minimal Impact on Employees**

5 SoCalGas will attempt to minimize the impacts to affected employees by taking
6 affirmative steps to place the six⁶² full-time employees in regular, full-time positions elsewhere
7 in the Company. This includes employees whose position or work location might be affected by
8 the choices of the displaced branch office employees. SoCalGas anticipates there will be a
9 reduction in part-time hours and part-time employee positions will be reduced through attrition.

10 **K. SoCalGas Has and Will Continue to Meet with Local Government Leaders,
11 Consumer Groups and Other Stakeholders to Discuss Potential Impacts on
12 the Affected Communities**

13
14 Prior to filing this Application, representatives from SoCalGas' Regional Public Affairs
15 ("RPA") Department proactively communicated with local stakeholders in the affected
16 communities to help them understand SoCalGas' proposal and explain the rationale behind it and
17 the benefits that will inure to customers. RPA representatives also advised stakeholders of APLs
18 in their community and addressed their concerns. In addition, SoCalGas met with consumer
19 groups (DRA, TURN and Greenlining), prior to filing this Application, so as to obtain their input
20 regarding SoCalGas' proposal to close the six branch offices. If this Application is approved,
21 SoCalGas will continue to meet with local government leaders, consumer groups and
22 stakeholders to facilitate a smooth transition for customers and affected communities.
23

⁶² Seven full-time positions (6 employees) will be impacted as follows: 1 in Bellflower, 1 in Monrovia, 2 in Palm Springs, 1 in San Luis Obispo (currently vacant), 1 in Santa Barbara, and 1 in Santa Monica.

1 **VI. FUTURE REVIEW OF BRANCH OFFICE UTILIZATION**

2 SoCalGas developed its Branch Office Optimization Process as a fair and objective
3 mechanism to review and assess the performance of its branch offices. SoCalGas' Branch Office
4 Optimization Process is fair to low-income and other sensitive customers because it facilitates
5 SoCalGas' efforts to mitigate the impacts to customers affected by branch office closures. It is
6 also fair to customers because it considers the proximity of proposed branch office closures to
7 available and convenient APLs. Moreover, the Branch Office Optimization Process is a
8 statistically objective approach that enables SoCalGas to make impartial decisions regarding
9 underutilized branch offices. It provides information about branch offices, which is consistent,
10 reliable and free from personal prejudice. The Branch Office Optimization Process is fair and
11 objective, as SoCalGas proposes to further assess branch offices on an annual basis. In order to
12 notify the Commission and other interested parties when and if a branch office meets all of the
13 Branch Office Optimization criteria, SoCalGas proposes to make any future requests to close
14 branch offices via a Tier 2 Advice Letter.

15 **VII. CONCLUSION**

16 Over the years, SoCalGas has seen customer behaviors and needs change. The volume of
17 transactions at our branch offices, especially customer payment transactions – which account for
18 largest volume of all branch office transactions -- have significantly declined. Customers are
19 increasingly migrating to electronic means of making payments. SoCalGas expects this trend to
20 continue as new electronic payment methods are adopted and increase in popularity. SoCalGas
21 believes that customers are not well-served by keeping low-volume, underutilized branch offices
22 open. Instead, customers should realize the closure-related cost savings.

1 SoCalGas believes that the impact to customers of these proposed branch office closures
2 will be minimal because of the close proximity of APLs to these six offices coupled with the
3 available services of the 24/7 Customer Contact Center and additional payment options such as
4 online bill payment, direct debit, and traditional mail payments.

5 In response, SoCalGas proposes to close six underutilized branch offices – Bellflower,
6 Monrovia, Palm Springs, San Luis Obispo, Santa Barbara and Santa Monica, which would
7 realize cost savings benefits of \$1.38 million to be reflected in SoCalGas' future GRC
8 application costs and avoid approximately \$2 million in capital expenditures. SoCalGas urges
9 the Commission to approve this request based on the facts that have been established
10 demonstrating:

- 11 • A continuing decline in branch office transactions;
- 12 • The continuing high cost to provide branch office services;
- 13 • All customers, including CARE customers, have multiple alternative payment and
14 service channels;
- 15 • CARE customers are minimally impacted by the six proposed office closures; and
- 16 • Customers are not well served by keeping low-volume, underutilized branch
17 offices open.

18 This concludes my testimony.

19 **VIII. QUALIFICATIONS**

20 My name is Michael H. Baldwin. My business address is 1801 South Atlantic
21 Boulevard, Monterey Park, California, 91754. I was appointed to my current position of
22 Manager of Remittance Processing and Bill Delivery in December of 2007. My primary
23 responsibility is the management of the strategy and policy for the overall customer bill

1 presentment and payment processing channels for both Southern California Gas Company and
2 San Diego Gas & Electric Company. For customer billing, this includes bill printing and
3 inserting as well as all electronic bill presentment channels. For payment processing, this
4 includes mail, walk-in including branch offices and authorized payment locations, as well as all
5 customer self-service electronic payment channels. Prior to this position, I have held various
6 managerial and supervisory positions in the Payment Processing and Bill Print areas of the
7 company as well as Mass Markets Customer Billing Manager. I also managed the California
8 Alternate Rates for Energy program from 1995-2002. I began my career at Southern California
9 Gas Company as a meter reader in 1972.

10 I have a Bachelor's of Science Degree in Business Management from Pepperdine
11 University in Malibu, California – 1981.

12 I have previously testified before the California Public Utilities Commission.

ATTACHMENT A

Branch Offices 9-16-13

Branch Offices

 Branch



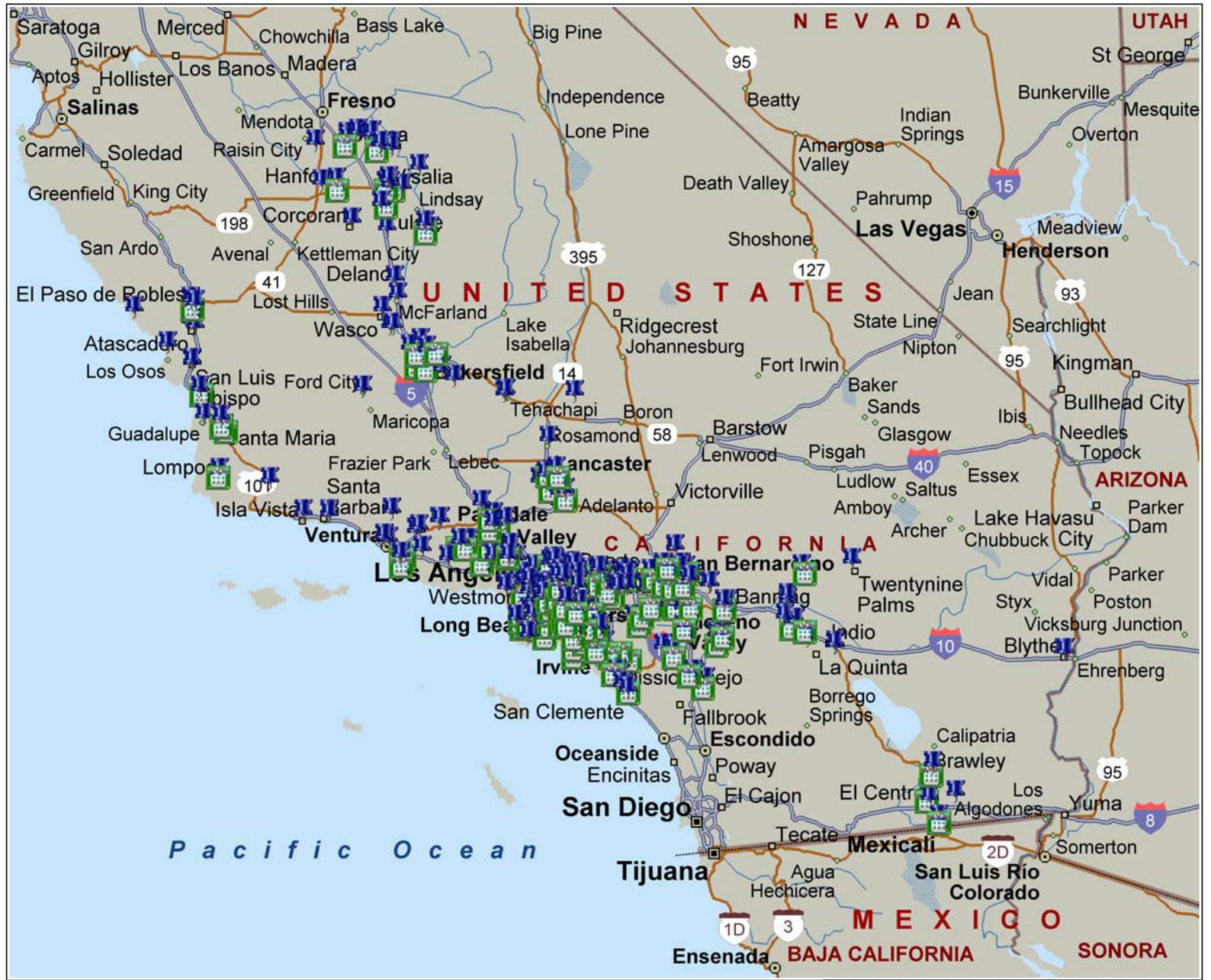
0 mi 50 100 150

ATTACHMENT B

All APLs and Walmart 9-16-13

APLs and Walmart

-  APL
-  Walmart



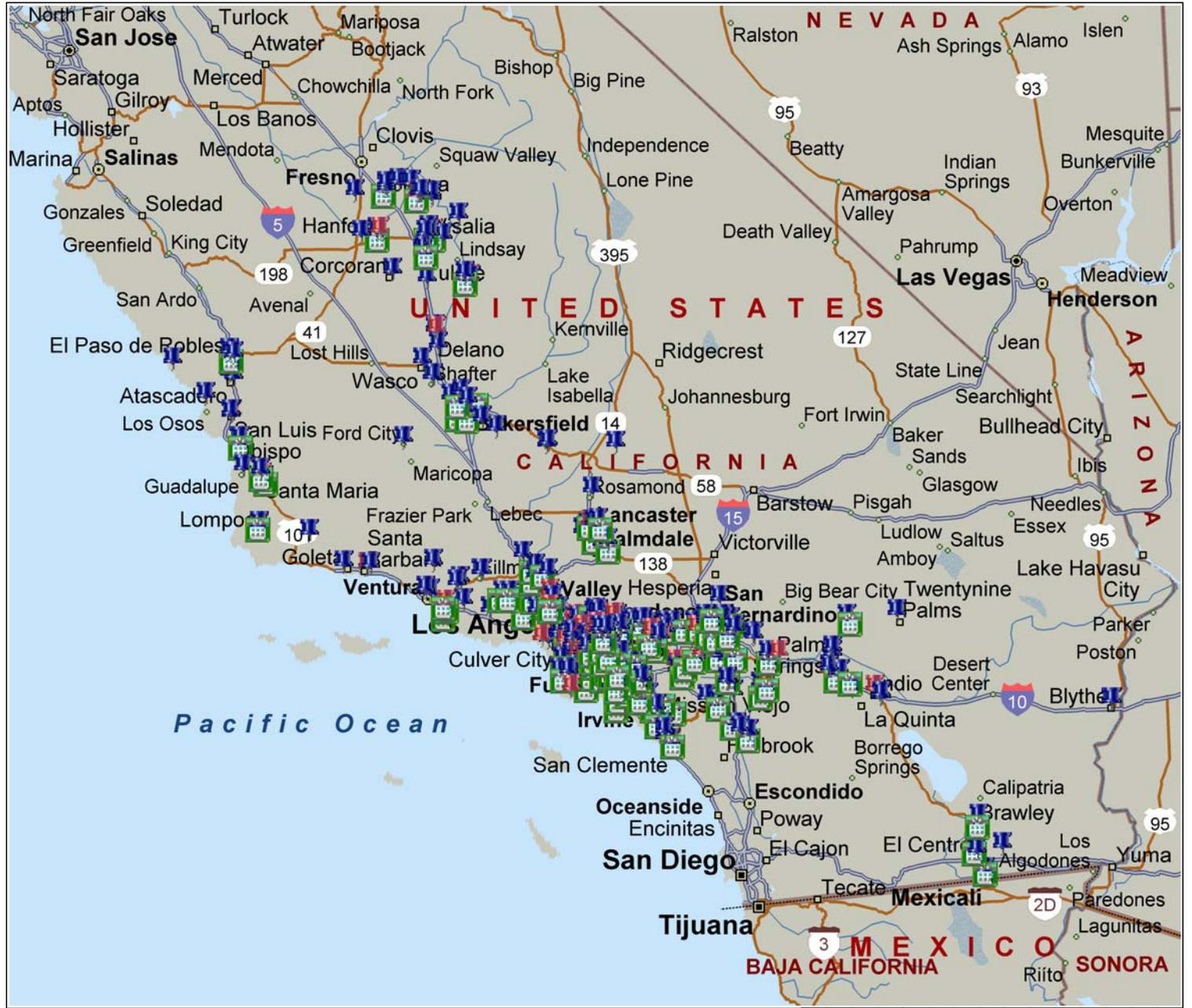
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ATTACHMENT C

All APLs, Walmarts and Branch Offices 9-16-13

APL, Walmart & Branch Office

-  APL
-  Branch
-  Walmart

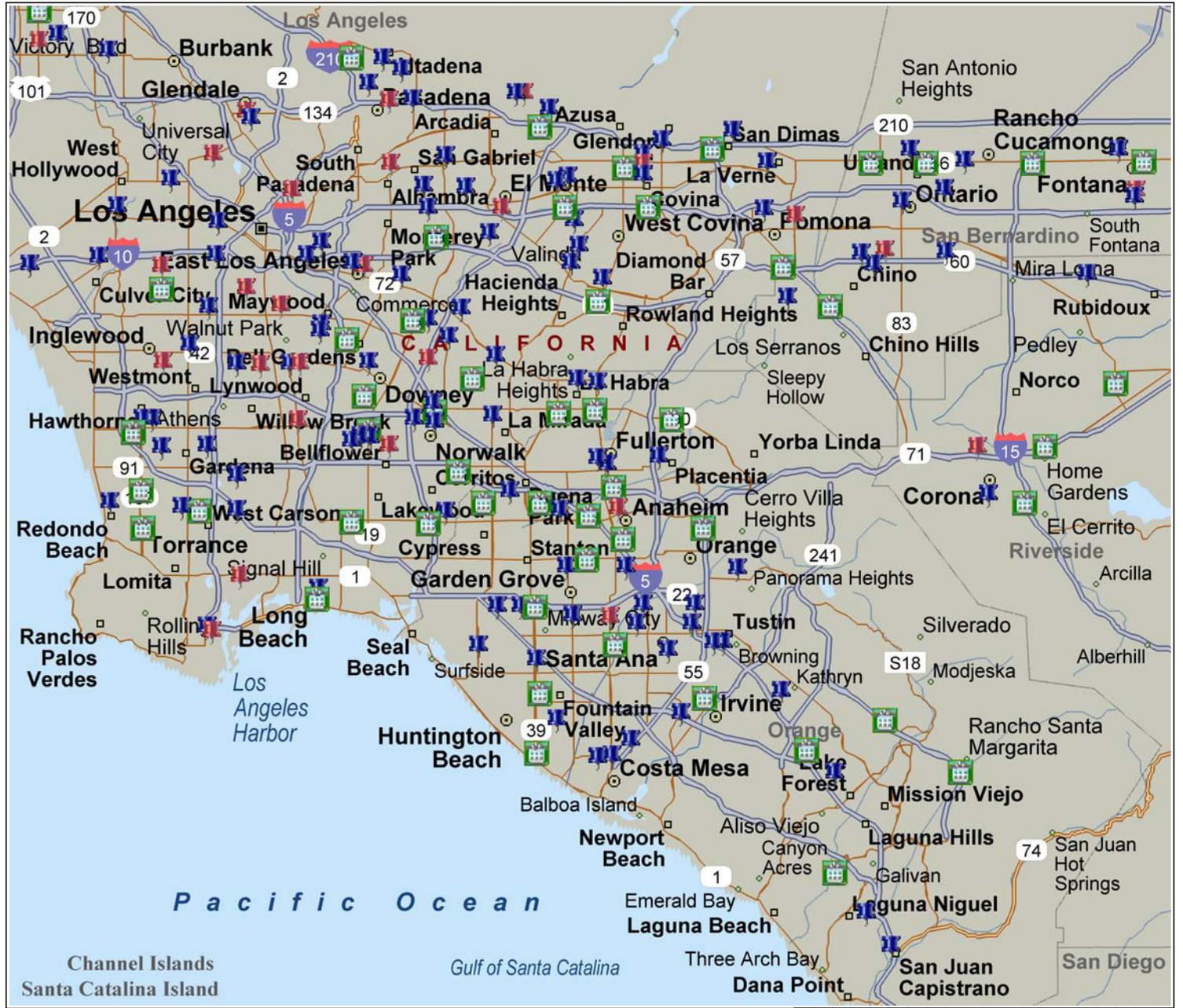


0 mi 50 100 150

Los Angeles County and Orange County 9-16-13

APL, Walmart & Branch Office - Los Angeles and Orange Counties

-  APL
-  Branch
-  Walmart

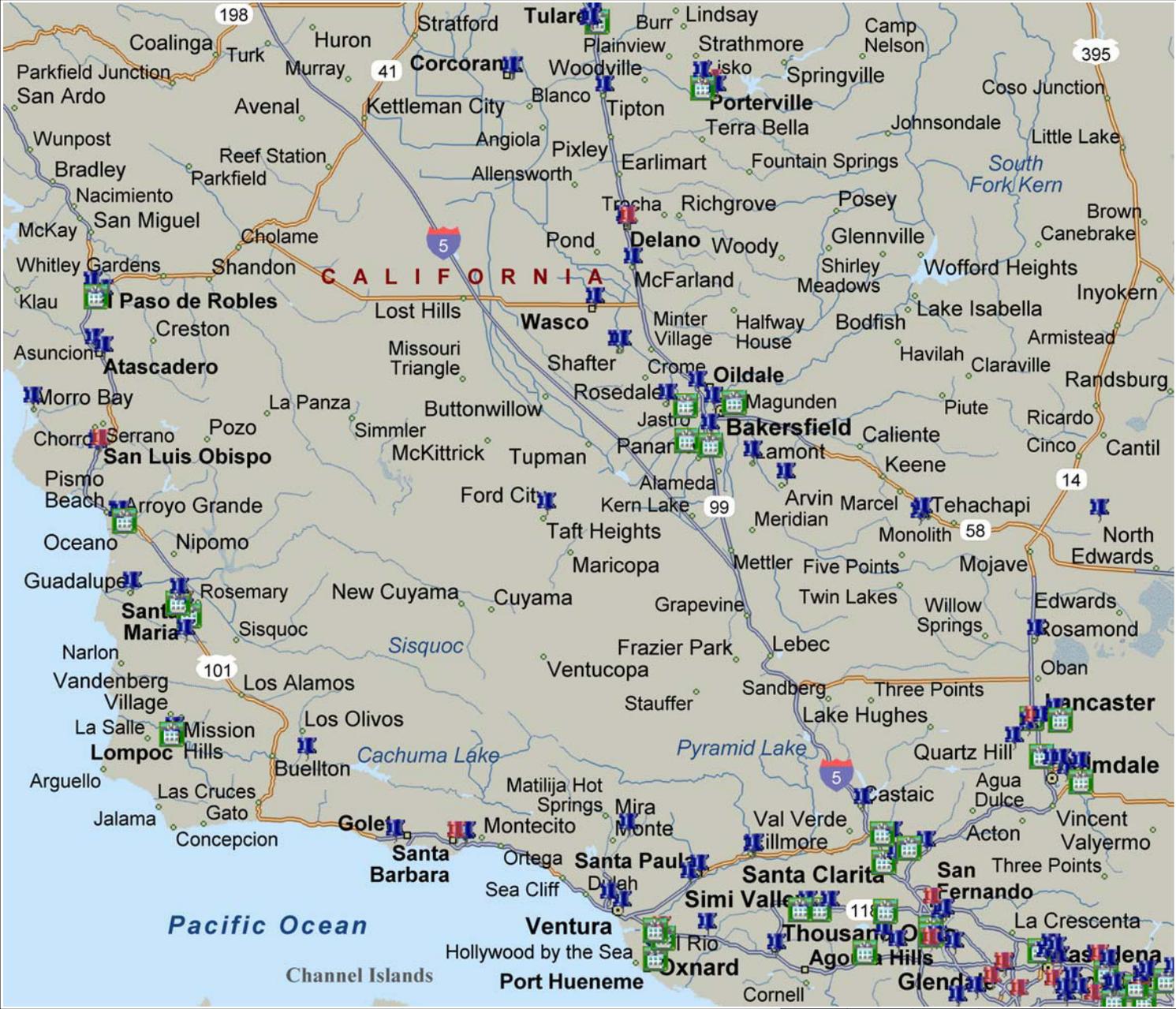


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San Fernando Valley, North Coastal and San Joaquin Valley 9-16-13

APL, Walmart & Branch Office -
San Fernando Valley, North Coastal
and San Joaquin Valley

-  APL
-  Branch
-  Walmart

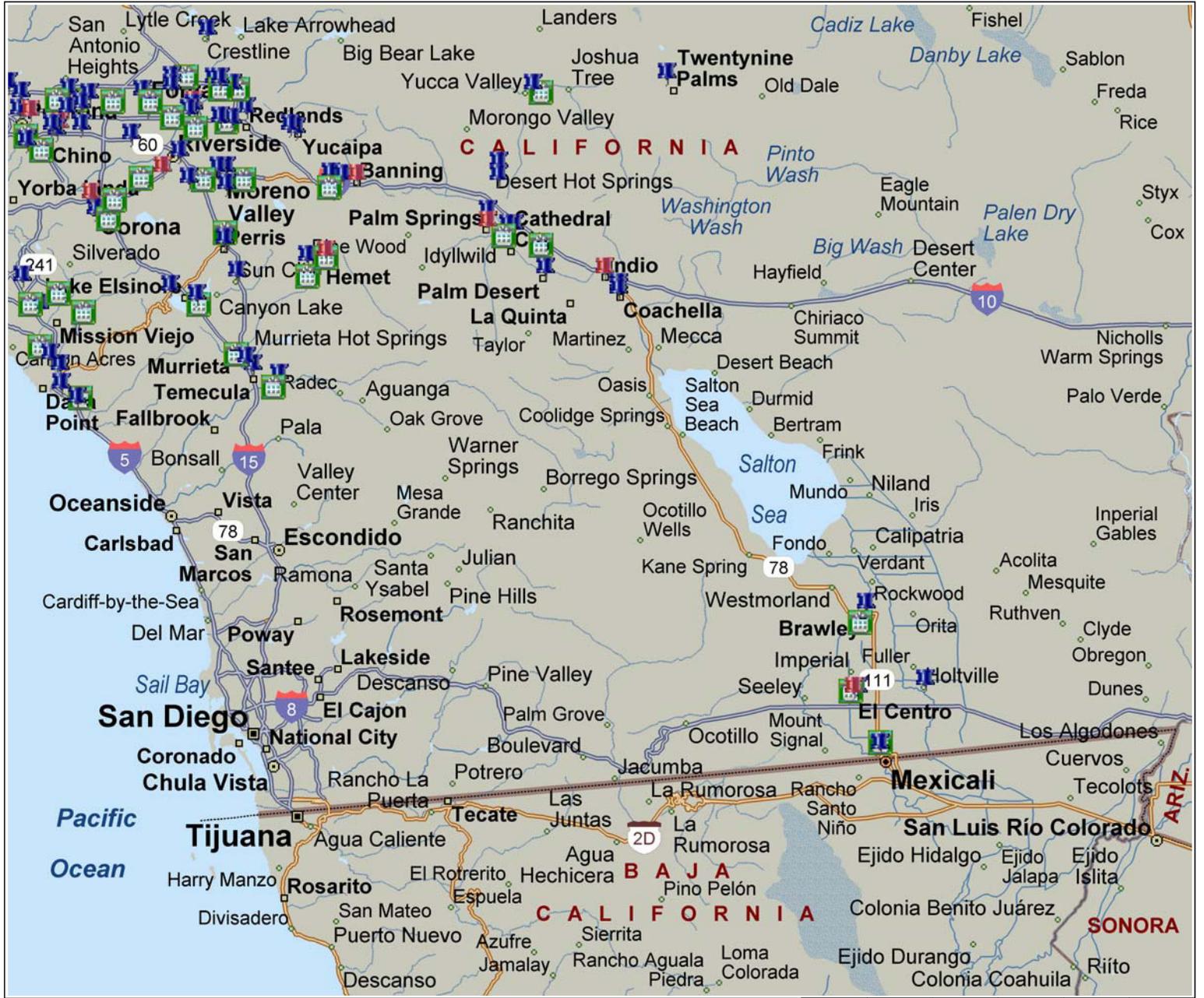


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Riverside, San Bernardino and Imperial Counties 9-16-13

APL, Walmart & Branch Office -
Riverside, San Bernardino and
Imperial Counties

-  APL
-  Branch
-  Walmart



0 mi 20 40 60

ATTACHMENT D

APL Application/Potential Site Evaluation Form - Instructions

The APL Department receives notification from business owners wishing to become an Authorized Payment Location. Requests come from the Call Center via an email titled "Business Owner Interested in Becoming An Authorized Payment Location". Requests can also come directly from a business owner or from CheckFreePay. The APL Administrative clerk will FAX or mail an "Authorized Payment Location (APL) Application" form to the business owner. Owner's information is entered into a database for future reference.

The "APL Application" form is also used by the APL Advisor if making a site visit to a potential APL location.

The following considerations are to be used for documenting key elements of Potential APL Locations

Parking/Safety:

1. Adequate parking to meet the needs of anticipated customer traffic.
2. Adequate lighting.
3. Other types of businesses adjacent to location

Customer convenience:

1. Days/hours of operation (Do they meet customer requirements for the area?)
2. Is the location an authorized agent for other major utilities?
3. Primary type of business (Would the area customers patronize this type of business if not an APL location?)
4. Are public telephones available onsite or nearby?
5. Does agent provide bilingual services to meet customer language needs for the area?
6. What additional customer valued services are provided? (e.g. Postal, grocery, pharmacy services)
7. Is public transportation available?

Geographic Location:

1. Distance from other payment locations.
2. Type of structure? i.e., Strip mall, stand alone, large shopping center

Management/operation?

1. On-site owner/manager?
2. Staffing levels adequate for payment processing?
3. Attitude of management and staff?
4. Agency accommodations-set up
 - a. Payment area/window separate from primary business
 - b. Will lobby/line area accommodate high volume customer payment use?
 - c. Is designated payment area secured or behind window?

Southern California Gas Company Authorize Payment Location (APL) Application

Today's Date: _____

Business Name: _____

Business Type: _____
(i.e., Grocery Store, Mailing/Shipping, etc.)

Is this a Check Cashing business?
If so, do you offer payday loans?

Yes No
 Yes No

Business Address: _____

City/Zip: _____

Cross Street: _____

Business Phone #: _____ Fax #: _____

E-mail Address: _____

Primary Contact: _____ Title: _____

Business Days/Hrs: _____

Payment Days/Hrs: _____

1. Is this business an Authorized Payment Location (APL) for other utilities? Yes No

If so, for what other utilities? _____

2. Terminal # (s): _____ Transmission Time: _____

3. Non-contracted/other vendor (CheckFree Pay, Western Union, etc): _____

4. Does your business provide Customer Satisfaction Training for your employees? Yes No

5. Is performance monitored with an on-site manager/supervisor? Yes No

6. Does the public have access to a public phone at your facility? Yes No

7. Is there public transportation accessible to your business (bus stop, trolley, etc.)? Yes No

8. Does your business have employees who are bi-lingual? Yes No

Office Use Only

Nearest Branch Office: _____ Nearest APL: _____

of Miles _____ City _____ # of Miles _____ City _____

APL SITE EVALUATIONS

Ability to secure Company funds?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Adequate Parking?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Attentiveness of Staff?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Cleanliness of Facility?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Friendliness of Staff?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Good Accessibility (ease of getting in/out)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Metered Parking?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Safe Environment (External)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Safe Environment (Internal)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Willing to promote Care?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Observations/Comments:

ADA Checklist completed: Yes No

Date: _____ Completed by: _____

Recommendation Approved: _____ Not Approved: _____ Pending: _____

Reason: _____

Site Evaluator: _____ Site Visit Date: _____

ATTACHMENT E

APL Site Evaluation Form - Instructions

The following considerations are to be used for documenting the key elements of site evaluations using the APL Site Evaluation Form (Appendix A).

Location Observations

1. Appearance-Exterior:

- How attractive is the exterior of this location?
- Clean/well maintained?
- Appearance remained the same/improved/deteriorated since the last site visit?

2. Appearance-Interior:

- How attractive is this interior of this location?
- Clean/well maintained?
- Appearance remained the same/improved/deteriorated since the last site visit?
- Pleasant or unpleasant odors?
- Cluttered/organized?

3. Other Payment Services:

- Is this agent authorized for other utilities?
- Does this agent collect other payments for a fee?
- Other services available to customers (i.e. money orders, wire transfers?)

4. Payment Hours/Days:

- Verify the hours or the payment availability
- Does the agent close for lunch/breaks?

Staffing Observations

5. Attentiveness/Attitude:

- Is the cashier/clerk friendly/indifferent/rude/smiles/greets customers?
- Attentive/preoccupied during customer transaction?
- Positive/negative attitude?
- Would the customer feedback be positive/negative as a result of payment transaction?

6. Knowledge:

- Does the cashier/clerk appear knowledgeable and experienced in handling the payment transaction?
- Is additional training required?

SCG Authorized Payment Locations Policy & Procedures

Staffing Observations (continued)

7. Customer Wait Time:

- Based on the time of your observation, is the customer wait time acceptable?
- For customer satisfaction purposes, would the length of the wait be perceived positively/negatively by the customer?
- If lengthy wait time, what is the reason?

8. Staffing Levels

- Based on your observations, is the staffing level appropriate?
- Would the payment area accommodate additional staffing if needed?
- Would another agent be needed in the area if this is a high volume agent?

Office Observations

9. Customer Complaints

Check APL agent files to determine if there are any valid CCTs within the year. Subtract 3 points for each valid complaint.

10. Verification Section: Purpose is to verify or obtain information contained on the Data Profile Sheet. Any changes/additions can be noted directly on the sheet and forwarded to the APL Administrative Clerk for updating.

11. Comments Section: Used to note any additional notes/observations for follow-up action (i.e. mailing additional information, concerns for vendors, conversations with APL employees, notification to other utility contacts, etc.)

**SEMPRA ENERGY UTILITIES
APL SITE EVALUATION FORM**

AGENCY : _____

ADDRESS: _____ City _____ Zip _____

REGION: _____ DATE: _____ TIME _____

LOCATION OBSERVATION	COMMENTS	MAX PTS.	RATING
APPEARANCE-EXTERIOR		20	
APPEARANCE-INTERIOR		20	
OTHER PAYMENT SERVICES	<i>19 pts - Only one; 20 pts - Offers other services</i>	20	
PAYMENT HOURS/DAYS	<i>Mon-Fri = 16; Mon-Sat = 18; Mon-Sun = 20</i>	20	

STAFFING OBSERVATIONS

ATTENTIVENESS/ATTITUDE TOWARD CUSTOMERS		30	
KNOWLEDGE		20	
CUSTOMER WAIT TIME		20	
STAFFING LEVELS		20	

OFFICE OBSERVATIONS

CUSTOMER COMPLAINTS	<i>Valid complaints : Minus 1-3 pts</i>	20	
---------------------	---	----	--

LAST AUDIT _____ PERCENTAGE _____

PAYMENT VOLUME _____

TOTAL POINTS	
MAXIMUM TOTAL	190
PERCENTAGE	

VERIFY (Data Profile Sheet)

E-MAIL ADDRESS (If applicable)		CARE DISPLAY	
TELEPHONE/FAX NUMBERS		SIGNAGE DOOR/WINDOW	
CONTACT INFORMATION		800# SIGN	
PAYMENT/OPERATION HOURS/DAYS		JULIAN DATE	
TERMINAL ID #(S)		CHECK/RECEIPT CLARITY	
FINAL TRANSMISSION TIME		BILINGUAL REPS (If applicable to area)	
COMPENSATION TERMS (Commission Rate)		ADA	

FOLLOW UP/COMMENTS:

EVALUATED BY: _____

ATTACHMENT F

SCG BRANCH OFFICE TRANSACTIONS

2005 - 2012

Offices	2005			2006			2007			2008			2009			2010			2011			2012		
	In-Office	Others	Total																					
Alhambra	61,125	23,077	84,202	59,068	31,421	90,489	55,039	27,413	82,452	55,807	23,878	79,685	54,463	22,783	77,246	56,712	21,570	78,282	55,142	18,391	73,533	47,866	14,293	62,159
Anaheim	93,781	16,319	110,100	93,158	15,886	109,044	94,319	14,554	108,873	96,673	13,892	110,565	94,023	11,669	105,692	99,125	11,171	110,296	95,650	9,635	105,285	92,250	8,490	100,740
Banning	33,594	7,019	40,613	33,648	6,748	40,396	32,378	6,526	38,904	33,847	6,421	40,268	31,288	5,332	36,620	32,121	6,502	38,623	25,100	4,088	29,188	26,861	4,153	31,014
Bellflower	70,752	30,923	101,675	66,695	33,480	100,175	63,908	23,032	86,940	65,010	19,409	84,419	59,307	16,787	76,094	59,160	15,006	74,166	52,353	11,260	63,613	33,155	6,988	40,143
Central Ave	168,491	36,511	205,002	166,359	32,165	198,524	164,961	23,243	188,204	174,216	17,979	192,195	111,504	9,082	120,586	163,437	10,965	174,402	181,726	9,724	191,450	168,774	7,769	176,543
Commerce	57,535	18,271	75,806	61,868	15,750	77,618	63,653	15,664	79,317	70,853	16,712	87,565	68,051	15,226	83,277	61,769	16,587	78,356	70,007	13,213	83,220	69,136	16,329	85,465
Compton	126,151	59,602	185,753	120,485	59,487	179,972	114,395	50,733	165,128	101,150	41,531	142,681	92,958	35,370	128,328	98,975	31,836	130,811	95,896	27,635	123,531	91,936	28,524	120,460
Corona	72,255	30,933	103,188	72,885	28,388	101,273	74,431	24,954	99,385	76,899	20,719	97,618	70,594	17,641	88,235	68,218	16,342	84,560	57,356	9,976	67,332	52,611	8,704	61,315
Covina	60,505	23,303	83,808	62,086	22,741	84,827	61,860	20,636	82,496	67,078	18,466	85,544	57,735	13,532	71,267	49,863	7,626	57,489	42,416	4,367	46,783	41,214	3,508	44,722
Crenshaw	196,280	35,850	232,130	197,049	36,038	233,087	192,854	31,016	223,870	205,233	28,823	234,056	170,155	21,002	191,157	179,503	19,609	199,112	56,440	4,509	60,949	130,499	11,152	141,651
Daly Street	161,777	12,636	174,413	158,203	12,496	170,699	149,731	10,950	160,681	138,177	8,852	147,029	134,695	6,838	141,533	142,171	7,061	149,232	141,368	7,165	148,533	134,999	6,911	141,910
Delano	38,674	3,609	42,283	40,261	3,621	43,882	44,587	3,760	48,347	47,443	3,638	51,081	46,754	3,616	50,370	36,429	2,470	38,899	46,326	2,422	48,748	50,637	2,445	53,082
Dinuba	43,602	6,988	50,590	43,508	7,180	50,688	45,150	7,094	52,244	48,339	6,593	54,932	47,522	5,971	53,493	33,790	3,852	37,642	45,939	4,275	50,214	45,886	4,191	50,077
El Centro	41,660	12,828	54,488	46,476	13,791	60,267	54,197	14,570	68,767	62,339	13,521	75,860	65,799	12,307	78,106	72,493	12,712	85,205	72,421	12,512	84,933	68,736	11,101	79,837
El Monte	107,302	8,528	115,830	103,328	8,962	112,290	97,327	7,995	105,322	95,205	7,079	102,284	83,672	6,248	89,920	63,678	4,502	68,180	64,169	4,580	68,749	63,825	4,825	68,650
Glendale	104,295	33,590	137,885	103,825	31,869	135,694	103,857	30,148	134,005	108,809	27,837	136,646	88,452	19,236	107,688	91,788	11,259	103,047	91,625	9,879	101,504	86,088	8,341	94,429
Hanford	92,874	47,708	140,582	93,720	36,427	130,147	92,682	32,486	125,168	97,174	30,871	128,045	92,364	28,524	120,888	98,782	28,398	127,180	89,018	18,858	107,876	79,430	12,601	92,031
Hemet	61,215	20,415	81,630	59,900	19,407	79,307	59,630	18,887	78,517	61,387	18,232	79,619	57,733	16,311	74,044	52,085	13,208	65,293	52,946	10,476	63,422	51,526	10,641	62,167
Hemet	44,885	16,374	61,259	42,729	15,836	58,565	42,836	14,183	57,019	42,556	12,609	55,165	40,302	11,367	51,669	35,303	10,035	45,338	37,203	9,388	46,591	38,268	9,790	48,058
Hollywood	91,908	41,762	133,670	89,873	41,537	131,410	86,246	38,757	125,003	87,818	44,571	132,389	84,149	33,071	117,220	72,170	24,211	96,381	74,670	25,007	99,677	75,121	23,538	98,659
Huntington Park	115,293	99,475	214,768	114,052	92,576	206,628	115,957	14,724	130,681	121,623	14,383	136,006	119,123	12,401	131,524	120,245	10,677	130,922	120,857	8,767	129,624	128,297	15,745	144,042
Indio	56,267	12,442	68,709	59,069	14,440	73,509	58,238	11,793	70,031	59,328	10,165	69,493	54,018	7,619	61,637	58,078	7,980	66,058	55,632	7,587	63,219	51,872	6,853	58,725
Inglewood	154,084	39,842	193,926	152,459	37,875	190,334	143,917	33,513	177,430	143,867	32,026	175,893	131,474	26,402	157,876	133,886	24,142	158,028	145,367	23,099	168,466	128,864	18,956	147,820
Lancaster	84,842	51,789	136,631	87,280	49,515	136,795	85,715	46,281	131,996	91,382	43,667	135,049	81,336	33,547	114,883	62,549	18,900	81,449	53,922	9,726	63,648	49,417	9,488	58,905
Lompoc	38,612	20,846	59,458	37,069	21,650	58,719	36,430	21,162	57,592	38,411	19,924	58,335	37,140	15,348	52,488	38,007	15,451	53,458	37,665	14,622	52,287	35,389	15,485	50,874
Monrovia	28,718	10,800	39,518	26,583	11,434	38,017	23,979	9,489	33,468	23,576	8,812	32,388	21,647	8,352	29,999	21,300	11,319	32,619	20,779	10,924	31,703	19,789	9,950	29,739
Ontario	75,391	24,143	99,534	78,373	23,679	102,052	75,224	22,059	97,283	75,747	16,451	92,198	67,857	9,895	77,752	67,732	9,961	77,693	56,168	8,312	64,480	50,940	8,150	59,090
Oxnard	100,247	29,987	130,234	103,621	30,029	133,650	101,347	27,200	128,547	102,350	20,606	122,956	95,828	14,371	110,199	93,480	12,658	106,138	50,020	5,702	55,722	43,100	5,221	48,321
Palm Springs	49,135	9,990	59,125	48,855	7,648	56,503	48,555	6,697	55,252	47,769	6,240	54,009	35,538	4,454	39,992	32,010	3,819	35,829	28,413	3,482	31,895	25,346	3,298	28,644
Pasadena	55,550	15,842	71,392	56,286	13,551	69,837	54,049	12,438	66,487	54,663	11,378	66,041	50,175	9,502	59,677	45,305	7,506	52,811	42,377	5,817	48,194	44,217	5,998	50,215
Pomona	143,016	20,161	163,177	136,402	19,476	155,878	131,687	16,824	148,511	134,573	14,953	149,526	113,182	11,171	124,353	121,274	9,933	131,207	118,102	10,346	128,448	113,260	8,209	121,469
Porterville	80,873	11,302	92,175	72,588	10,852	83,440	69,532	9,954	79,486	72,750	9,141	81,891	63,917	8,081	71,998	70,138	8,005	78,143	69,918	7,462	77,380	68,477	7,108	75,585
Riverside	99,157	21,887	121,044	99,927	22,409	122,336	97,469	21,298	118,767	98,910	17,939	116,849	92,059	15,405	107,464	95,418	15,309	110,727	90,126	13,576	103,702	59,502	8,820	68,322
San Bernardino	95,061	35,744	130,805	87,955	34,539	122,494	83,189	31,628	114,817	86,253	23,958	110,211	81,951	13,509	95,460	79,447	11,958	91,405	76,795	16,090	92,885	57,383	10,884	68,267
San Fernando	135,164	67,666	202,830	134,768	68,841	203,609	134,086	40,861	174,947	136,394	25,277	161,671	110,164	19,679	129,843	122,142	16,524	138,666	127,580	15,306	142,886	127,829	13,576	141,405
San Luis Obispo	17,922	11,027	28,949	17,677	10,736	28,413	19,107	8,952	28,059	17,380	5,583	22,963	14,804	3,558	18,362	11,987	6,061	18,048	10,659	6,357	17,016	10,235	4,882	15,117
San Pedro	65,218	16,491	81,709	66,481	16,459	82,940	65,818	15,779	81,597	68,809	15,375	84,184	65,264	13,170	78,434	66,073	12,457	78,530	58,532	10,247	68,779	51,406	7,383	58,789
Santa Ana	63,092	56,495	119,587	61,759	27,905	89,664	63,684	22,487	86,171	68,892	22,626	91,518	71,270	17,420	88,690	64,095	14,063	78,158	59,397	7,416	66,813	59,681	4,586	64,267
Santa Barbara	38,650	14,424	53,074	38,996	12,054	51,050	36,633	9,511	46,144	33,244	8,118	41,362	29,645	6,558	36,203	28,591	5,847	34,438	26,283	5,068	31,351	24,137	4,962	29,099
Santa Fe Springs	69,834	25,990	95,824	69,166	27,921	97,087	68,022	24,778	92,800	65,807	23,262	89,069	58,106	17,537	75,643	57,441	18,970	76,411	47,507	23,071	70,578	42,536	18,948	61,484
Santa Maria	43,595	13,319	56,914	43,979	13,177	57,156	46,385	13,263	59,648	47,940	12,922	60,862	42,300	11,094	53,394	43,838	10,648	54,486	35,418	7,642	43,060	36,872	7,057	43,929
Santa Monica	63,638	21,609	85,247	61,408	20,998	82,406	57,800	21,436	79,236	55,837	19,594	75,431	51,011	19,131	70,142	48,117	19,104	67,221	44,765	15,003	59,768	39,753	12,733	52,486
South Gate	83,359	39,034	122,393	83,423	35,470	118,893	78,383	31,108	109,491	78,251	32,641	110,892	74,251	27,047	101,298	69,793	26,951	96,744	70,514	22,968	93,482	69,546	19,2	

ATTACHMENT G

THE GAS COMPANY

BALDWIN HILLS/CRENSHAW BRANCH

CLOSURE NOTICE

The Baldwin Hills/Crenshaw branch payment office has a new location: **3739 Crenshaw Blvd. Unit C, Los Angeles.** The new office will re-open on **Wednesday, April 20, 2011.** Thank you for your patience.

For your convenience, your bills can be paid at the following locations:

BRANCH OFFICES

Hours 9:00 A.M.-5:00 P.M. Mon. - Fri.

Central Branch Office

4619 S. Central Ave.
Los Angeles, CA 90011

Cross Street: Vernon

Driving direction from Baldwin Hills/Crenshaw to Central Br.
Start out going SOUTHEAST on W. M. L. King Jr Blvd. toward Crenshaw Blvd. 0.1 mi

Turn RIGHT onto CRENSHAW BLVD. 0.6 mi

Turn LEFT onto W VERNON AVE. 4.3 mi

Turn RIGHT onto S CENTRAL AVE. 0.2 mi

End at 4619 S Central Ave Los Angeles, CA 90011

Estimated Time: 13 minutes Estimated Distance: 5.15 miles

Inglewood Branch Office

3530 W. Century Blvd Suite 102
Inglewood CA 90303

Cross Street: Club Drive

Driving direction from Baldwin Hills/Crenshaw to Inglewood
Start out going SOUTHEAST on W M. L. King Jr Blvd toward Crenshaw Blvd. 0.1 mi Turn RIGHT onto Crenshaw Blvd. 4.7 mi
Turn RIGHT onto W CENTURY BLVD. 0.4 mi

End at 3530 W Century Blvd Ste 102 Inglewood, CA 90303-1234

Estimated Time: 12 minutes Estimated Distance: 5.22 miles

24 Hour ExpressPay machine available at this location

AUTHORIZED PAYMENT LOCATIONS:

Walmart

4101 Crenshaw Blvd.

Los Angeles, CA 90008

Cross Street: W. Martin Luther King Jr. Blvd

8:00am - 8:00pm - Daily

Note: Walmart requires gas bill stub to make a payment. Only cash and PIN-based debit cards accepted as a form of payment.

Located at the Baldwin/Crenshaw Mall

Superior Grocers #8

8811 S. Western Ave.

Los Angeles CA 90047

Cross St: 89th

Hours: 8:00am-5:30pm - Daily

(across from the L.A. Christian Faith Center)

Driving direction from Baldwin Hills/Crenshaw to Superior

Start out going SOUTHEAST on W M. L. King Jr. Blvd toward Crenshaw Blvd. 0.1 mi

Turn RIGHT onto CRENSHAW BLVD. 3.7 mi

Turn LEFT onto W MANCHESTER BLVD/CA-42.

Continue to follow CA-42. 1.0 mi

Turn RIGHT onto S WESTERN AVE. 0.1 mi

Estimated Time: 12 minutes Estimated Distance: 4.96 miles

 ADA Accessible

1-800-427-2200
socialgas.com



A Sempra Energy utility

THE GAS COMPANY

BALDWIN HILLS/CRENSHAW BRANCH

CLOSURE NOTICE

ADDITIONAL AUTHORIZED PAYMENT LOCATIONS

Superior Grocers #124 
3129 S. Hoover Street
Los Angeles, CA 90007
Cross St. - W. 30th Street
Hours: 8:00am-5:30pm - Daily
Closed at 10:00am - 11:00am Daily
Located in the University Village Shopping Center
Driving direction from Baldwin Hills/Crenshaw to Superior
Start out going SOUTHEAST on W. M. L. King Jr Blvd
toward Crenshaw Blvd. 0.1 mi
Turn LEFT onto CRENSHAW BLVD. 1.7 mi
Merge onto I-10 E. 1.7 mi
Take the VERMONT AVE/HOOVER ST exit, EXIT 12. 0.5 mi
Take the VERMONT AVE ramp. 0.1 mi
Take the HOOVER ST ramp. 0.5 mi
Take the HOOVER ST ramp. 0.2 mi
Turn RIGHT onto S HOOVER ST. 0.7 mi
3129 S HOOVER ST is on the RIGHT.
Estimated Time: 10 minutes Estimated Distance: 5.3 miles

Northgate Market #33
2323 W. Olympic Blvd.
Los Angeles, CA 90006
Cross St. - Grand View Street
8:00 A.M. - 6:00 P.M. - Daily
Driving direction from Baldwin Hills/Crenshaw to Northgate
Start out going Southeast on W M. L. King Jr Blvd toward
Crenshaw Blvd. 0.1 mi
Turn LEFT onto CRENSHAW BLVD. 1.7 mi
Merge onto I-10 E. 1.7 mi
Take the VERMONT AVE/HOOVER ST exit, EXIT 12. 0.5 mi
Take the VERMONT AVE ramp. 0.1 mi
Take the HOOVER ST ramp. 0.5 mi
Take the HOOVER ST ramp. 0.2 mi
Turn LEFT onto S HOOVER ST. 1.1 mi
Turn RIGHT onto W OLYMPIC BLVD. 0.1 mi
2323 W OLYMPIC BLVD is on the LEFT.
Estimated Time: 11 minutes Estimated Distance: 5.8 miles

Culver Mail Box 
10866 W. Washington Blvd.
Culver City, CA 90232
Cross St: Girard Ave.
Hours: 9:00am - 5:00pm - M-F
9:00am - 2:00pm - Sat
Driving direction from Baldwin Hills/Crenshaw to Culver
Start out going NORTHWEST on W M. L. King Jr. Blvd toward
Malton Ave. 1.1 mi
Turn SLIGHT LEFT onto RODEO RD. 1.4 mi
Turn LEFT onto W JEFFERSON BLVD. 0.8 mi
Turn RIGHT onto DUQUESNE AVE. 0.6 mi
Turn LEFT onto W WASHINGTON BLVD. 0.8 mi
Estimated Time: 11 minutes Estimated Distance: 4.81 miles

 ADA Accessible

1-800-427-2200
www.socalgas.com



THE GAS COMPANY

OFICINA BALDWIN HILLS/CRENSHAW

Aviso de Clausura

La oficina de pago de Baldwin Hills/Crenshaw tiene una nueva localización: **3739 Crenshaw Blvd. Unidad C, Los Angeles**. La nueva oficina abrirá de nuevo el **Miercoles, 20 de abril de 2011**. Gracias por su paciencia.

Para su conveniencia, sus cuentas también se pueden pagar a las oficinas de gas y agencias autorizadas siguientes:

LAS OFICINAS DE GAS:
9:00 A.M. - 5:00 P.M. Lunes y Viernes.

Oficina Central 
4619 S. Central Ave.

Los Angeles, CA 90011
Calle Cruza: Vernon

Direcciones de Crenshaw a la oficina Central
Empiece por Sudeste en W.M.L. King Jr. Blvd. hacia Crenshaw Blvd. <0.1 Millas
Doble A LA DERECHA a CRENSHAW BLVD. 0,6 Millas
Doble A LA IZQUIERDA a W VERNON AVE. 4,3 Millas
Doble A LA DERECHA a S CENTRAL AVE. 0,2 Millas
Finalizar en 4619 S Central Ave Los Angeles, CA 90011
Tiempo estimado: 13 Min. Distancia estimada: 5,2 Millas

Oficina Inglewood 
3530 W. Century Blvd Suite 102
Inglewood CA 90303
Calle Cruza: Club Drive

Direcciones de Crenshaw a la oficina Inglewood
Empiece por Sudeste en W.M.L. King Jr. Blvd. hacia Crenshaw Blvd. <0.1 Millas
Doble A LA DERECHA a CRENSHAW BLVD. 4.7 Millas
Doble A LA DERECHA a W CENTURY BLVD. 0.4 Millas
Finalizar en 3530 W Century Bl, # 102 Inglewood, CA 90303
Tiempo estimado: 12 Min Distancia estimada: 5,2 Millas

Máquina de pago "24 Hour ExpressPay" disponible 24 horas

SUS COBROS PUEDEN SER PAGADOS EN LAS SIGUIENTES OFICINAS:

Walmart 
4101 Crenshaw Blvd.
Los Angeles, CA 90008
Cross Street: W. Martin Luther King Jr. Blvd
8:00am - 8:00pm - Daily
Nota: Wal-Mart requiere la factura de gas para aceptar su pago. Sólo se aceptan pagos en efectivo o con tarjeta de débito que requiere el uso de código PIN.
Situado en el Baldwin/Crenshaw Mall

Superior Grocers #8 
8811 S. Western Ave.
Los Angeles CA 90047 Calle Cruza: 89th
Hora: 8:00am-5:30pm - Diariamente
(Cruza a L.A. Christian Faith Center)
Direcciones de Crenshaw a Superior Grocers
Empiece por Sudeste en W.M.L. King Jr. Blvd. hacia Crenshaw Blvd. <0.1 Millas
Doble A LA DERECHA a CRENSHAW BLVD. 3.7 Millas
Doble A LA IZQUIERDA a W Manchester Blvd/CA-42.
Siga en la dirección CA-42. 1 Millas
Doble A LA DERECHA a S WESTERN AVE. 0,2 Millas
Finalizar en 8811 S Western Ave Los Angeles, CA 90047
Tiempo estimado: 12 Min. Distancia estimada: 5 Millas

 ADA Accessible

1-800-342-4545
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THE GAS COMPANY

BALDWIN HILLS/CRENSHAW BRANCH

Aviso de Clausura

ADICIONAL SUS COBROS PUEDEN SER PAGADOS EN LAS SIGUIENTES OFICINAS

Superior Grocers #124



3129 S. Hoover Street
Los Angeles, CA 90007
Calle Cruza. - W. 30th Street
8:00am-5:30pm - Diariamente
Cerrado 10:00am - 11:00am Diariamente
En la University Village Shopping Center
Direcciones de Baldwin Hills/Crenshaw a la Superior #124
Empiece por Sudeste en W M.L. King Jr. Blvd hacia
Crenshaw Blvd. <0.1 Millas
Doble A LA IZQUIERDA a CRENSHAW BLVD. 1.7 Millas
Únase con I-10 E. 1.7 Millas
Tome la salida de VERMONT AVE/HOOVER ST. SALIDA 12.
0.5 Millas
Tome la rampa de VERMONT AVE. <0.1 Millas
Tome la rampa de HOOVER ST. 0.5 Millas
Tome la rampa de HOOVER ST. 0.2 Millas
Doble A LA DERECHA a S HOOVER ST. 0.7 Millas
Finalizar en 3129 S Hoover St Los Angeles, CA 90007
Tiempo estimado: 10 Minutos Distancia estimada: 5.3 Millas

Northgate Market #33

2323 W. Olympic Blvd.
Los Angeles, CA 90006
Calle Cruza - Grand View Street
8:00 A.M. - 6:00 P.M. - Diariamente
Direcciones de Baldwin Hills/Crenshaw a la Northgate
Empiece por SUDESTE en W MARTIN LUTHER KING JR
BLVD hacia CRENSHAW BLVD. <0.1 Millas
Doble A LA IZQUIERDA a CRENSHAW BLVD. 1.7 Millas
Únase con I-10 E. 1.7 Millas
Tome la salida de VERMONT AVE/HOOVER ST. SALIDA 12.
0.5 Millas
Tome la rampa de VERMONT AVE. <0.1 Millas
Tome la rampa de HOOVER ST. 0.5 Millas
Tome la rampa de HOOVER ST. 0.2 Millas
Doble A LA IZQUIERDA a S HOOVER ST. 1.1 Millas
Doble A LA DERECHA a W OLYMPIC BLVD. 0.1 Millas
Finalizar en 2323 W Olympic Blvd Los Angeles CA. 90006
Tiempo estimado: 11 Minutos Distancia estimada: 5.8 Millas

Culver Mail Box



10866 W. Washington Blvd.
Culver City, CA 90232 Calle Cruza: Girard Ave.
Hora: 9:00am - 5:00pm - Lunes y Viernes
9:00am - 2:00pm - Sabado
Direcciones de Crenshaw a Culver Mail Box
Empiece por Noroeste en W M.L. King Jr. Blvd. hacia Marlon
Ave. 1.1 Millas
Doble Levemente a la Izquierda a Rodeo Rd. 1.4 Millas
Doble a la Izquierda a W Jefferson Blvd. 0.8 Millas
Doble a la derecha a DUQUESNE AVE. 0.6 Millas
Doble a la Izquierda a W Washington Blvd. 0.8 Millas
Finalizar en 10866 Washington Bl. Culver City, CA 90232
Tiempo estimado: 11 Min Distancia estimada: 4.8 Millas



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